COPY

NASSAU COUNTY

TRANSIT COMMITTEE

March 27, 2014

4:00 P.M.

BEFORE: SHELDON SHRENKEL, CHAIRMAN
APPEARANCES:

CHAIRMAN SHELDON SHRENFEL

VICE CHAIRMAN LAWRENCE BLESSINGER

BOARD MEMBER KATHY ANN COMERFORD

BOARD MEMBER JEAN DURoseAU

BOARD MEMBER LIVIO TONY ROSARIO

SAMUEL LITTMAN - EXECUTIVE DEPUTY COUNTY

ATTORNEY AND COUNSEL FOR TRANSIT COMMITTEE

MICHAEL SETZER - CHIEF EXECUTIVE OFFICER, VEOLIA

TRANSPORTATION

JOHN MICHNO

YUKI ENDO
CHAIRMAN SHRENKEL: Good afternoon, let me
the meeting come to order. Welcome to our
meeting of the Nassau County Bus Transit
Committee, it is our first meeting of 2014.

I am Sheldon Shrenkel, I am the Chairman of
the committee. I would like to introduce our
members, which will also serve as our rollcall.

To my far left we have Ms. Kathy Comerford,
Mr. Larry Blessinger, Mr. Tony Rosario, Mr. Jean
Duroseau and our Counsel to the committee, Samuel
Littman. And of course, we thank you Donna for
taking our notes.

First I would like to ask for an
acknowledgment of receipt of the transcript of
the meeting held on December 17, 2013, by a show
of hands from everyone who has received and
acknowledged the minutes of that meeting.

(Whereupon, at this time there was a show of
hands from the all of the board members.)

CHAIRMAN SHRENKEL: It is unanimous,
everyone has received it.

We would like to start the meeting with an
introduction by the CEO of Veolia Transportation,
Mr. Michael Setzer.

MR. SETZER: Mr. Chairman, members of the
committee, good afternoon.

BOARD MEMBERS: Good afternoon.

MR. SETZER: Our main event today is the budget, the annual plan, but I would like to briefly do a quick update on something that we have been working on with the committee for a while and that is the mobile ticketing. We are just about to begin the beta test in less than thirty days from now, with a small group of users to make sure that it works the way that it is supposed to work. And then in June we will make it available, assuming that no problems emerge in the data and to make it available to everyone who wants to use it.

I have asked Jake Sion who is on our staff here, who has been working on this project to give you a real quick demonstration of how it all works. He will be prepared to answer questions.

Do you remember the history of this? About two meetings ago you had an unhappy customer here, and we also heard some other things about how the MetroCard and the fare box and the MetroCard reader often malfunctioned, and this particular gentlemen felt that it was actually taking value off his card, and we had to answer
him by saying, well, we cannot do anything, that
it is the MTA that has your money, somebody has
your money, we do not, we cannot refund it and we
cannot really change the way the MetroCard system
works itself.

So in the interim we have focused on a
couple things, one is doing everything we can to
make the fare boxes work as well as possible. So
we actually changed the maintenance process, we
have added another person to the fare box
maintenance team, we have done a fair amount of
research, and we ordered some new parts.

The fare box, itself, seems to be working
pretty well. The complaints about MetroCard
readers have dropped off to almost nothing, but
the big change really is to begin to supplement
and replace the MetroCard. As you know, MTA has
announced that it will eventually provide a
replacement for that too, it will get off the
MetroCard over the next few years.

We have been in conference with them, and
this is our own approach to this, but we are
doing it jointly -- not jointly, but we are
telling them what we are doing and they are
telling us what they are doing.
What you are about to see is probably the first glimpse of what the future fare collection system will look like; and now I will let Jake show you how that actually works.

MR. SION: Just before I start, this is still the beta version of the apps, there might be some pieces in here which are not fully ready yet, but I think it will give you a good overview of how this is going to work for customers. Like Mike said, this is really a pilot program, we want to test it to see if this works. It is going to allow riders who ride Nassau County, while it will not allow them to transfer into the MTA system, we have a large percentage of our riders who only ride in the County, and a large percentage of our riders have smartphones, so we think this will be really good for them.

What I am going to do is walk you through the process of how you would buy a ticket and use a ticket. One of the great things about mobile is that you can buy a ticket anywhere and whenever you want. You do not need to find a MetroCard vending machine, you do not need to find a reseller, as long as you have your phone you can buy a ticket.
Now, you launch the app, you would see a screen which would look very similar to this one that you see now. You click on "buy tickets," you would click which fare you wanted and how many rides you wanted. When we start this it is only going to be single rides, it is not going to be unlimited, weekly pass, or monthly.

Now, let's say I wanted to buy four tickets, I could chose that, and I could either put in a new credit card and put in my information, or I can use a stored card so it is quicker. So then I would click here, there is "stored card" up there. For security they ask you for your CVD on the back of the card, so that way if someone had your phone they would not be able to buy the ticket.

Okay. I put it in the CVD, I got a receipt that would be sent to me, if I did not want a receipt I could remove it. "Accept" that I want to buy it and then click "continue," and at that point it gives you a final confirmation screen so that you could see what you are purchasing and then you would click "pay now." Once that process is complete, your transaction is done and then you click "go to your ticket wallet." So
here in the ticket wallet it shows all the
tickets that I have -- I have played with this
app a lot as you can see, so I got all these
tickets here.

Now, the way it would work is, I am at the
bus stop, the bus arrives, so I would click on a
ticket and I would decide that I want to use the
ticket. So I click "use ticket," you get a final
confirmation and once that ticket has been used
it cannot be undone, and you click "okay." This
is how it is going to work on day one, so it is
really easy for the drivers and for the
passengers, so we can do this on a really
lightweight solution.

On day one it is going to be a visual
ticket, so a passenger would board and literally
show this flashing screen to the driver; and
there are a few security features built-in. That
color changes everyday and drivers are notified
about that color change when they go to the
window in the morning. That four letter word
that is scrolling along the bottom will change
everyday as well. And for whatever reason, if
the driver thinks the ticket might be fake or
there is something going on, he can ask the
passenger to tap the screen and a NICE logo will appear.

Finally, we have plans to do some form of fare enforcement using our driver supervisors, are SQM, so each ticket is also built-in with a barcode that could be scanned. In the future what we would like to do is install devices on all vehicles. We want to look into it where passengers would just scan their ticket instead of having to actually show the visual tickets to the driver; it is something that we are looking into.

This is really how it all will work, and that ticket is valid for two hours, you see the countdown, it will allow a passenger to transfer to another bus. If they close the app and open it, then it will go right there to their ticket.

We are really excited about this, we think it is really going to help a good portion of our riders. We did some surveying, we got some excellent responses and feedback from riders; with that, if there is any questions I am happy to answer any.

BOARD MEMBER COMERFORD: May I?

MR. SION: Sure.
BOARD MEMBER COMERFORD: I am sorry, did you say right now it is just single ride tickets; you do not have a monthly pass on that yet?

MR. SION: No, we are not going to offer monthly's or weekly's on day one. Part of the reason behind that is, you know, really to kind of start slowly and really not try to do too much at once, and to really make sure that we kind of phase this in, that is the initial plan.

BOARD MEMBER COMERFORD: And then for security, so it would not say NICE unless the person being questioned -- if they figured out how to copy it, unless you tap it, then NICE appears?

MR. SION: That is not something we will use all the time, but the drivers will be instructed, for whatever reason you think the ticket may be fake, just ask them to tap the screen. But we really think because it is flashing and moving, it's got different colors, it's got that word that is scrolling at the bottom, which we are not too worried about, and it has worked successfully elsewhere with this kind of flash-pass model.

BOARD MEMBER ROSARIO: When you said that it is not in the system as of yet, when do you see
it happening?

MR. SION: Going live?

BOARD MEMBER ROSARIO: Yes.

MR. SION: We plan to start testing with a select group of riders who are going to be invited, so probably by tomorrow we will send the invitations out and then the testing will start April 25th. At which point, if everything goes successfully with that select group of riders, we will plan to roll this out in early June.

BOARD MEMBER BLESSINGER: What happens to the customer who is on the bus and all of a sudden decides to do a transfer?

MR. SION: To be very clear on one thing and you will see on here, when you click on the front screen, and this is part of what I say is the beta, so when you click your ticket -- in the future there is going to be a pop-up that will say, and it will be very clear, that this ticket is only valid on NICE buses, you cannot use it to transfer to a MTA bus or subway. It will be very big to make sure that passengers are educated about that. We are not taking away any of the existing channels, so it really just one more option that customers have that works for them.
BOARD MEMBER COMERFORD: This is mainly for the cash user who stays in Nassau County and who does not use the MetroCard.

MR. SION: We have a lot of riders who use the MetroCard in Nassau, just within Nassau, because it just makes it easier rather than carrying around eighteen quarters everyday.

MR. SETZER: Were you asking about transferring within the NICE system?

BOARD MEMBER BLESSINGER: Well, what if you want to go, let's say, transfer into the subway?

MR. SION: Then you would not be using it. We talked to the MTA about maybe doing a pilot of some sort, but that is nothing that would happen in the short run. It is really just for our riders who are riding within Nassau County, or actually for riders who get off in, let's say, Jamaica or Flushing and do not need to go anywhere else in their trips in Queens.

All right. Well, if there is anything else you can feel free to ask me afterwards, thank you everyone.

BOARD MEMBERS: Thank you.

MR. SETZER: So in the future fare collection will probably get away from that big
clunky fare box, which is a pretty expensive piece of equipment and will rely on devices that you already have in your pocket, like a smartphone, a credit card, debit card that has a chip in it.

That is the direction the MTA is also heading, and one of the nice things about this is that it is an open kind of system. So that as new payment methods come along, you can accommodate with a relatively inexpensive reader.

A fare box today costs twenty thousand dollars and up, believe it or not. A little reader that reads that barcode can be for one thousand dollars or less, and is much more open-ended, so that as new devices become available it will be able to accept those too.

Now, on the transfer question, we would really like to find a way for the -- as would the MTA, to facilitate transfers between the two. The problem is that the MTA has thousands, I do not even know how many, but thousands of subway turnstiles, and for them to make all those turnstiles accept this with a reader would be very expensive and rarely used. So we could -- on the inbound trip, it would be easy to
instrument a few turnstiles at the few subway
stations that we serve, but then for when it
comes back neither of us can figure out how to do
that in any reasonable way.

There was one other thing I wanted to update
you on, the other issue that came up in the
MetroCard discussions in the past was the absence
of the MetroCard machines in Nassau County. And
you may have seen the media on it, we did ask and
there are, in fact, no more MetroCard machines,
and the MTA owns the only ones in the world.
They have no extras and because they are moving
away from that system they are not interested in
acquiring any extras, and so we tried, but there
was not much that we could do with it.

Now, I would like to get into the main event
which is the Annual Plan and Budget, and the
five-year capital plan. Just for background, the
contract between Nassau County, between the
partners Nassau County and Veolia, requires that
we provide you a budget recommendation in
February, which we did and you see that in the
committee meeting in March, and approve that
budget, or consider that budget. It also says
that the annual plan should include these five
elements: Service levels and proposed changes to the services level, the budget, the fair increase or decrease recommendations, a performance scorecard, and a five-year capital plan; so let's take those sort of in order.

The goals that we discussed with you the last time and that we continue to adhere to take care of two of those five elements. We are recommending stable levels of service, not absolutely no change, but stable levels of service. Every quarter we do a new run pick with our employees and we tweak schedules a little bit. But we are talking about keeping the level of services that is on the street today through the next twelve months of the year.

We are also recommending no change in fares. During 2014 we anticipate the fare levels staying just as it is. Looking ahead a little bit, if a fare change made sense, in fact, in 2015 is when the MTA will probably change fares, and that would be the time that we would consider it, if we consider it at all. There are two of the five elements we do not have to think about this year at all, no change in service levels and no change in fares.
The other two major goals for 2014 are technology implementation, both the mobile ticketing that we have just looked at a moment ago, as well as the larger project, the ITS project where we are adding all this instrumentation and capability of the whole fleet. So as you recall, people can have realtime information in their hand, people can count on the annunciators to provide audio information to people with disabilities who need that. We can control and manage a fleet better, we can have better responsiveness to situations as they arise an so forth.

We went over that last meeting and, I think we should probably revisit it next meeting, but that is a major element in our efforts through this year, 2014, which begins next week.

The other major element is trying to get more focus into our operational management and to provide you a scorecard to go with that. You have in front of you a comprehensive plan, in that binder, and so this is something that we developed -- we are not asking that you consider that or adopt that at this meeting, but we will ask you to do that next time.
In summary, it says, "safety and dependability," that is what we are all about in 2014. We have done very well in safety, we would like to do even better, and we would like to improve the dependability that customers experience in terms of the bus arriving on time, and when it is not on time, having good information available to them when weather or something else interferes, being safe and no interruptions in your trip, those are all elements of dependability.

We think those are the two things that a bus rider or any transportation rider wants; first, I want to get there and secondly I want to get there in the time that I expected to get there, I want to be picked up and dropped off as closely to what my expectations were as possible. That is probably your expectation when you use any transportation, air, or train, or bus, or anything else. Those are the watch words in the plan that we will present and ask you to approve next meeting.

There is also is a scorecard in there, which is different from the scorecard that we have used the first two years, and again, I am not -- the
scorecards in the old formats, in your folder
there, I think and please tell me if I am wrong,
but I think it is not particularly useful to you,
and in that it includes some things like Net
promoter score that probably do not mean a whole
lot. So what we have done is proposed a smaller
group of indicators as well as goals to go with
each of those, and there are no goals in the
current scorecard.

We want set goals as well as a numerical
system so that you can quickly look at the
scorecard each quarter going forward and see how
we are doing. There is a possible one hundred
points, so if we got an eighty-five last quarter
and we got an eighty-six this quarter, you will
know that we are moving in the right direction
and you can look and see where those missing
fourteen points are.

Again, we will go over that in some more
detail next time, but since it is part of the
annual plan I wanted to at least introduce it to
you here today.

The budget that we have provided to you and
that we are asking you to adopt today, if you
wanted to get it down into one sentence, in order
to stabilize the current levels of fixed route
service and the current levels of fares, some
additional funding is required because operating
costs are rising and Able-Ride demand is rising.

Now, let me spend a little bit of time
detailing those things for you. Let's start with
the expense budget.

Why operating costs are rising? There are
four main reasons that our operating costs are
going up. The first one is that in our labor
contract there is a three percent wage increase
effective April 1st. We negotiated a five-year
contract, so through 2016 this contract is in
place. It provides raises each year for
employees, for instance, there are dozens of
rates in the contract, but here are a couple of
examples: Top operator, which is an operator who
has been with us for at least six years, the
hourly rate will go from $28.57 an hour to
$29.43, top technician or mechanic will go from
$29.50 to $31.30 an hour. So those contractual
wage increases by themselves, if nothing else
changed, add 1.4 million dollars to our operating
costs for the twelve months starting next week.

The second reason that our operating costs
are rising, there is also an increase in monthly health insurance costs. There is really no news there, that is what is happening to most insurance costs. The rates, the premium rates, are going up by three to four percent. There are several different levels in the plan, so that is why we arranged the three to four percent. And there is also a shift in enrollment from single plans to family plans.

There is a trend going on where some of the senior employees who already grandfathered in the state health fund, nightshift, the state health plan, that some of them are retiring out and new people are coming in who are not in that plan. Nightshift, as you may know, from age fifty-five and on has a zero premium. And as those zero premium people retire and are replaced by people -- we also get that change in enrollment, so there is a combination altogether, it pushes up our benefit costs about six percent.

Third reason operating costs are rising is because natural gas has gone up dramatically. We fuel our buses with natural gas as well as heat all our facilities with natural gas, so we are very susceptible to the gas cost increases. We
are proposing a budget with a twenty-five percent increase in natural gas costs. The rates actually have gone up more than that, but we are expecting a little pull back soon, but not all the way back to the 2013 levels.

Here is a couple of rates here, during December of last year we were paying $3.82 per decatherm, that is one of the measurements -- units of natural gas. That same unit of natural gas in February of this year had gone up to $5.56 a decatherm, we think that will come back some, but it is unrealistic to think it will come all the way back. So we forecast another seven hundred thousand dollars in energy costs just because of price changes.

The fourth reason that our operating costs are rising is because the demand for Able-Ride is rising. This line chart on the screen shows each moment during 2013, the number of hours per weekday that we had to put on the street to meet all the Able-Ride demands. As you can see it is a steady increase, particularly in the fourth quarter it got to be quite a bit higher. We think that is a permanent trend, not sure why, but it may be because of the aging of the
population, or it maybe because people felt better about the on-time performance of the Able-Ride and decided to use it more, or decided to come back to it.

Remember, in our first year of Able-Ride our performance was pretty poor in the on-time performance area, it has dramatically improved; that may be a reason, not sure why, but it is clearly having an impact.

As you know, Able-Ride demand under the Americans Disabilities Act must be met. If a person is eligible for Able-Ride by virtue of their disability and they have gone through the eligibility process, and the trips they are requesting meets the ADA requirements, which means it is within the footprint three quarters of a mile either side of any fixed route.

We collectively must serve that route, we have no choice, we cannot say, "well, you know, we are out of money." So in effect, first, we have to serve all the Able-Ride demands and then whatever is left, it all comes out of the same pot, whatever dollars are left are available for fixed route; that is also a factor in driving our cost for 2014.
A logical question might be, "well, what about efficiency, isn't there a way to be more efficient?" and I would argue that we are. This graph on the left side, you see the last year of Long Island Bus, these are per hour fixed route operation costs, all costs associated with fixed route operation divided by the total number of hours provided. So the first column, the orange column, that is what Long Island Bus reported to the federal government for there hours and for their operating costs for the fixed route mode in 2011, their last year of operation; that's $151.37 per hour all costs in.

Now, in 2012, our first year, our operating cost per hour, $123.11 an hour, it actually went down a little bit to $122.36 an hour last year. Mainly because we were operating more hours, and the fixed fee, which is part of our cost that is in there stays the same, so you spread more hours over the same fee; it's going to come down a little bit.

In 2014 there is a little increase to $126.64, so what I would submit is that it is a pretty good cost trend. Today, three years later, we are still delivering an hour of service...
for about eighty percent of the cost of the
previous operator. And that is mostly
efficiencies that we put in 2012 and have
maintained since then.

The first thing we do in this budget is to
adjust the number of plans for a higher level of
hours for Able-Ride service. Currently, the
current budget has five thousand and five hours a
week plan for Able-Ride, we are proposing five
thousand one hundred and forty hours, another one
hundred and thirty-five hours a week to meet the
rising Able-Ride demand.

There are things we can do with the
efficiency of Able-Ride and we will continue to
try to do those to increase the number of
passengers per hour. But even so, the rise in
demand is just going to require more service.
Remember that trend line, it looked like a pretty
steady trend.

Now, the budget starts out with an increase
in Able-Ride service. Here is what it looks like
on an annual basis, the left column is the
current year budget, current year budget, a
couple days. And the line on the right is the
annual total represented graphically for 2014,
and that were recommended, and that was included in the budget before you.

Here it is on a day of the week basis, most of the increase is on weekdays, as you can see on the graph at the top. Saturday stays almost the same, Sunday has a slight increase in projective demand for Able-Ride service also. When you do it on an annual total hours out of the whole year from almost two hundred and fifty-six thousand to two hundred and sixty-three, approximately, that is the total annual that is incorporated in the plan that is before you.

The second part is to stabilize fixed route service. This is what we propose, and again, now we are on an average weekday basis, weekdays is when most Able-Ride service is rendered. There is a slight decrease in the number of days, number of hours per weekday from today for April schedules, for instance, and what we propose -- but it is less than one percent, it is not a service reduction, it is a service adjustment. We are trying to tweak the service design, so that we are as efficient as we can possibly be.

We do that on a per type of day basis, and you will see on the weekday there is a one
percent decrease, it is what you see on the top slide or the top part of the graph. Saturday stays almost the same and then a slight increase on Sunday, all and all, essentially the level of service that we are operating today.

This is the level of service that we put in, in September of last year basically. Now, if you do it on an annual basis it is actually a little bit more service in 2014, and that is because in 2013, as you may recall, we ramped it up each quarter and a lot of additional service went in, in September. So over the course of the twelve months we will operate more hours of fixed route service during 2014, then we did during 2013 with that proposal.

Here is the budget by type of account that was in the document that went to you in mid February. This has been studied and analyzed by County staff, I believe, and they have submitted a number of questions, which we have answered to their satisfaction.

Here is what it looks like graphically, the same numbers as the pie chart. What I would like to point out here is -- start with the big blue wedge on the upper right-hand corner, "35.1
million," that is operator wages, the red right
below it is mechanic wages or technicians wages,
all maintenance department wages. The green
wedge is all the other wages and salaries, so
that is supervision, clerical, managers, and
other people that are not mechanics or drivers.
And the purple wedge then is the fringe benefits
for all of those groups. So if you take those
four together, that is two-thirds of the pie, so
our business is a very people intensive business,
people costs take up two-thirds of the pie
altogether.

Now, the orange wedge, the "9.8 million,"
that is fuel, which is another fairly volatile
part of our budget. Those are the important
elements in there, parts and repairs are that
"6.9 million" wedge up there, that light blue
wedge, and there are various other kinds of
costs; we can go back and talk about those in
detail if you like.

So that is the expense part of the budget, I
am going to do the revenue side next. Would you
like to stop here for questions, or should we go
on through?

CHAIRMAN SHRENSKEL: Anybody in the committee
have any questions thus far for Mr. Setzer?

BOARD MEMBERS: (No response)

MR. SETZER: Okay. Let's talk about the
revenue side. Here is a pie chart showing the
revenues that are incorporated in the budget
presentation that you have, other than the pledge
of proposal that you have.

As in previous years, the biggest single
part of this, over half, is that large blue part
on the right, that is the State transportation
operating assistance program and that is the
largest single source of revenue for NICE Bus.

The second largest one, obviously, is the
fare box, 45.5 million. I want to detail a
little bit about on how we got to those numbers,
and just quickly look at the rest of the numbers.
The red slice on the bottom is direct from the
County's general fund. The green slice next to
it is the one that we need to take about, that is
the one that still needs to be funded. There are
a couple places where that can come from and we
will get to that in a minute, but that is the
part we in effect hope those other wedges expand
enough to squeeze the green one down to nothing.
That is the 3.3 million and we still need to find
that in order to achieve a stable fare, the
stable service goals.

I think those are the important ones. The
one million and six million ones are federal
funds that we can convert to operating costs;
that little tiny six hundred dollar slice is
advertising.

Let's get into detail about those a little
bit. The big State transportation operating
assistance wedge is at sixty-two million
eight-thirty-one and five hundred. That is the
number that Governor Cuomo included in what is
called the executive budget in February, that is
the budget that the Governor recommends to the
Legislator. The Legislator can change that, and
in fact, the last two years has been increasing,
and last year it increases as much as five
million. The process is that the Legislator
returns a budget, passes a budget, maybe as soon
as this weekend, and then the Governor either
accepts that or uses his line on the veto and
changes it.

Today sixty-two million eight-thirty-one is
the only real number we have, because it is the
line that the Governor recommended. What it will
actually be when the Legislator is finished with it, is unknown at this point. So that may be -- remember the green wedge that we still have to close, that may be where it gets closed.

Last year there was about five million dollars more that came from the Legislator -- there was about a five million dollars in funding for NICE Bus for Nassau County, compared to what the Governor had recommended. So will that happen again this year, I have no way of knowing that, but I think the history is worth taking note of.

The previous year it went up a little bit, not that much, about a million dollars is what I recall, so beyond what the Governor recommended. Now, we are waiting to find out what that number is and the rest of the funding, if needed, depends on what that number turns out to be; that is a two percent increase.

All of the downstate non-MTA systems got two percent this year, so Suffolk County, Westchester County, all those got a two percent increase on whatever their 2013 level was.

Fare box revenue is another big part of the revenue pie, and this is not happy news. Our
budget for this year was 45.9 million, almost 46 million, that you approved a year ago. We project our actual -- since we do not have March final yet, it is still projective, we project our actual to be almost seven hundred thousand dollars short of that. That is due, and I will show you in a minute, that is due entirely to weather, and I will give you some detail on that.

One of the things you may recall is that in the contract between Nassau County and Veolia, Veolia enjoys or suffers the actual verses the budget. So this year we are going to take a seven hundred thousand dollar hit to bottom line. I want that on the record, so if some year in the future it is the other way, we can remember what happened in 2013.

This is not an impact on the County, in fact, that is one of the reasons, I think, that you bring in a private partnership, some of those risks to the private partner.

Here is what causes this, it is easy enough to see. This is the chart of the whole eleven months -- actually twelve months of 2013, fiscal 2013. A zero line down the middle represents right on the budget, it is different from
month-to-month, but we budgeted by month. If we
were exactly on budget we would hit that zero
line.

In April we started out well above the
budget, half a million, we had a great April, but
May was not so good. So the accumulative, this
line is accumulative, the accumulative came down,
June it came down again, but at the end of the
first quarter last year we were still one hundred
thousand dollars better than budget, and that is
pretty close.

July goes up, August comes down, September
comes down, so the end of September we are still
two hundred thousand dollars, midyear, two
hundred thousand dollars better than budget in
fare box revenue.

October was a fantastic month, and then it
begins to come down again. So by September we
are still like four hundred thousand dollars
above the revenue budget, which on a forty-five
million dollar budget is pretty close.

Now, January and February hit and the bottom
falls out of ridership, revenue just drops off,
and you see by the end of February we are almost
at that seven hundred thousand dollars below
budget. That little upturn at the end is full of hope, we do not know what March accumulated. We are hopeful that there is some recovery in March, although given what the weather has been like this month, and maybe that is unwarranted hope, but in any case we are certainly going to end up well below the budget for fare box revenue for 2013; we reflect that in our recommendation for this coming year.

Just to make sure that it is really related to the weather, on this graph, you see the blue line on the top is "average" -- we took weekends out of here because they go up and down anyway -- is the average fare box revenue collection through November and December. And the green line is the actual by weekday during January and February.

The circles are snow days, it is very easy to see that snow and dropping fare box revenue are directly related. All of the low days are snow days, when it does not snow for a few days, like right in the middle, it is right up there right around the budget line. So we are pretty confident that this is a weather related phenomenon and nothing else. It was right on
budget, if only -- if the sun would shine three
hundred and sixty-five days a year we would have
no trouble of predicting fare box revenue, but we
do not think that is a reasonable assumption to
make going forward.

Here is the fare revenue recommendation that
is incorporated in the budget. The column there
on the right is what we actually expect to
collect by the end of this month, 45.3 million
versus the budget of 45.9 million. So we are
recommending the 2014 number of 45.5, we are
recommending that the weather will not be as bad
as it has been, but it will not be as good as we
forecasted for when we were here a year ago now.
So the 45.5 is the recommendation, and again,
that becomes the target for next year, so over
and under is an effect to the Veolia problem.

Back to where we were before, so all that
together means that there is still 3.3 million
needed in order to achieve the stable level.

Given the history of the past few years, that is
not a completely unrealistic expectation, but I
cannot tell you today where it would come from.
It could come from the State, or some of it could
come from the State and we may know that in a few
days. Once we know that, and if does not
completely close that gap, then we will turn to
Nassau County and say, "what would you like to
do," and they -- I will not predict what their
decision will be, but I cannot think of any other
source; the federal government is certainly not
going to provide any additional money.

Advertising may do a little better than the
six hundred thousand, so we would recommended
going forward with the expectation that the 3.3
million dollar issue will be solved, recognizing
that it is possible, that it is not. And if it
is not solved, then the last resort, the final
place to go, is with some service adjustments in
the middle of the year.

We have not planned those, we are not
scheduling a public hearing on those, we are not
suggesting that you schedule a public hearing,
but I think that you should at least articulate
that this is the last resort if we do not manage
to solve this problem.

The timing, and I recognize that having a
budget with a 3.3 million dollars of revenue from
an unknown source is a little bit unusual, but
the alternatives are worse. The alternatives
would be to schedule hearings on something like a
fare increase or a service cut, but today that
may never be necessary, I think that it is in our
passengers best to offer a stable service
offering and then find a way to make it happen.
There is a certain amount of optimism in this
budget recommendation, but I personally think
that's one.

Back to the same funding pie, that is what
it looks like. The green wedge is the line that
we have to solve, and should have a pretty good
idea sometime soon. Let's stay on revenue for a
minute; are there any questions about revenue or
comments?

CHAIRMAN SHRENKEL: Assuming the 3.3 million
dollars does not come in, I am just curious, what
is your cash position to carry the budget for a
period of time? I mean, you have thirty days,
ninety days, sixty days, one hundred days?

MR. SETZER: Yes, and actually the County
does, I believe, the County draws down that money
from the State and a little from the federal
government. The fare box revenue would be
whatever it is, and the fare box revenue comes in
everyday, so I do not think that there would be a
TRANSPORT SECURITY 3/27/14

cash problem at any point. By the end of the
year obviously, we would have to solve this. If
instead of a 121.9 million, there is only 118
million then we --

CHAIRMAN SHRENKEL: You can carry yourself
sixty to ninety days?

MR. SETZER: Yes, yes. I do not think that
is a problem.

Any other revenue questions?

(Whereupon at this time there is no
response.)

This is not really a budget issue, but I
think we ought to talk about it and I will
explain why. Currently the County pays for
transit service three different ways. First of
all, there is a monthly fixed fee, then there is
a monthly variable fee for Able-Ride, which is
based on the number of hours Able-Ride operates
and a monthly fixed routes, which is based on the
number of hours NICE Bus operates. Our invoice
for the County is a statement of ours times the
rate that is in the contract.

When the contract was negotiated in 2011 it
specified what variable fees should cover. So it
should cover operated mechanic labor, benefits,
tires, parts, and fuel, in other words, the big
cost categories are to be incorporated in the
variable rates; and there are two different ones,
one for Able-Ride and one for fixed route, and it
is quite specific about what that would be.

These are the costs that go up and down with
adding or subtracting service, so if we run
another hour service we will be paying another
hour of drivers wages and burn some more fuel and
run another hour off the tires and so forth;
variable rates are meant to cover that and that
is fairly specific here.

Then the contract -- these are the screen
shots that are directly from the contract. The
fixed fee was also described as covering those
types of cost that do not go up and down with an
hour of service, so the lights in this room, the
license for computer software and things like
that stay the same, whether we add on an hour or
take an hour off the street. So this describes
all those categories that would be included in
the fixed fee.

Then what negotiators did in 2011 was that
last -- they said for the first year it is going
to be two million three-one-nine-six-six-four.
That was an estimate based on the best information available to us at the time. We had not created a budget for 2012, we had the MTA's Long Island bus budget available to us, but our cost structure is quite different. So that was the best estimate available at the time based on the information that we had.

Now, for the first two years, that is the number two million three-one-nine-six-six-four, that is the number that we charge for the fixed fee each month. It did not correspond at all with the description and the language, that was just the placeholder. And we, I think, decided even in the second year, why don't we just leave that alone and why don't we just focus on getting the variable fee down. And in fact, the variable fee for fixed route in 2013 went down by a couple of dollars from the -- it was eighty dollars and something in the first year, so it went down by two dollars. We left that fixed fee alone as the placeholder that the contract had set.

We are recommending today that for 2014 we should true those rates up to what the contract says they should represent. We have done the calculations, and when we do that, the fixed fee
would go up, using those eleven categories that
we were looking at before. And the variable fees
would come down using those four categories, I
think, as to what is to be included in the
variable fee.

This does not put any more service on the
street or take anymore service off. This just
trues up the way the billing is prepared to what
the contract actually says, which I think, in it
self is a good reason to do it. And if ever it
were subject to some kind of audit, you would
want the auditor to find that the fees
represented with th contract said they represent
it, so that is the proposal that we are making
today.

The impact that it might have in the future
would be that if -- since ours, the variable hour
becoming cheaper, we are recommending dropping
the variable rates. If you got another million
dollars in some future year you could buy more
service, because then our service would be
cheaper. I suppose going the other direction, if
we had to reduce some service to balance the
budget, it with take more hours. This represents
more accurately what are actual costs are. That
is the purpose of this, it has really no affect
on the 2014 operation.

I wanted to stop there, I know it is a
little bit complicated, but I wanted to stop
there; do you have any comments or questions
about that?

(Whereupon, at this time there was no
response.)

Okay. Performance scorecard, we'll talk
about that very briefly again. We are not asking
that you do anything about this today, we will
ask you at our next meeting to adopt this as the
scorecard that is contractually required. Again,
it emphasizes a few keys in safety and
dependability primarily, but there are some other
things in there. It is built-in to that plan, in
correspondence to that plan you have in front of
you, and at our next meeting I propose to spend
some time on the plan itself, then ask you to act
on it.

There are fewer indicators than in the old
scorecard, I think the indicators themselves are
more intuitive and more useful, and they go to
things like safety and dependability, and there
is some productivity measures and some other
important things in here, and they have goals.

So in that column just to the right of that
blue column, somebody on the staff has that
assigned to them, and just to the right of that
is the goal that we shoot for. The next column
is the waiting for achieving that particular goal
and if you add it all up -- if we get everything
perfectly we get a score of one hundred. So at
the bottom you will be able to look at our report
card, we will have a quick snapshot as to whether
we have gotten better or worse, and then we can
use this to have more detailed discussions at
your quarterly meetings about our performances.
Again, we will put that on the agenda for the
June meeting.

On the last phase is capital plan, we have
also included here a couple pages from the
transportation improvement plan, the TIP is a
document that Nassau County submits to the
federal government, it is a five-year plan. So
that is the same, this is very similar to what
you saw a year ago, except that 2013 has fallen
off and 2018 has been added on. It is not very
readable, but it is in the document and I think
-- if you do not mind me jumping ahead, the
near-term highlights in the capital plan are 2014 and 2015, we complete the ITS system, the AVL date on that vehicle location system and all the things that go with it that we talked about last month.

We complete the procurement for the upgrade of the compressed natural gas facility, we have very old CNG technology here, upgrading it will make bus fuel more reliable and it will reduce our electric utility costs with more efficient modern stuff.

In 2014 we purchased new para-transit vehicles, and in 2015 we would receive approximately forty-five new full-size buses. Those are some of the highlights, but there is a lot of things on there on engineering and facilities and shop equipment, I would be happy to go through those with you if you would like, but I think these are the important ones.

I would like to make a quick comment here on something that you have probably read in the media and might have some concern about, and that is the onboard security. We had two, in the month of February -- in the month of March we had two assaults on drivers, unprecedented, we had
not had these kind of things before. We had two
that seemed to be a little bit related, a little
bit similar, although actually they are quite
different. And that raised the issue of whether
we should equip buses differently.

Two things in particular, one is the camera
systems, and in the first assault a passenger
happened to get the video, which lead to an
immediate arrest. And the second assault nobody
did, and there has not been an arrest yet unless
it is just unknown.

Camera systems, the forty-five buses that we
have on order right now will come with the new
state-of-the-art camera system. Now, the
question before was, should we go back and equip
the older buses with camera systems also; that is
the industry standard for improving security, as
well as managing claims and a few other things,
they are very helpful and they have been very
useful.

Now, the other item that is under
consideration is driver partitions. We currently
have what -- sort of a half partition, sort of a
waist high partition. It is like a door that --
it does not shield the upper half of the driver.
We get mixed comments from drivers about whether they want a partition, and I believe the MTA has decided to add full partitions, and a few other transit systems have, others have not. Some of our drivers have said, and we have not done any scientific work on this yet, but some of our drivers have said that they feel less secure in the partition, they feel somewhat enclosed and unable to escape and the partition cannot completely close things off, people have to be able to reach things through and that sort of thing.

So we started the research on this, we plan to, on both the camera systems and partitions, both would be a capital item, both would be something that the County would have to be involved in also, so they get the capital grants and they own the equipment and some modifications to their equipment needs to be something more collaborate with the County.

First, we want to finish the research on the costs, how they work, and those kinds of things, and then some consultation with your employees, and then have some consultation with the County and then make a recommendation. So perhaps by
the June meeting we will have some final
answers on this. I just want you to know we are
on it, we understand how significant it is, and
we are trying to evaluate what the best approach
is.

BOARD MEMBER COMERFORD: I just want to
point out something because, you know, we get a
lot of bad press, people complain about the bus
system and everything else, and the drivers.

It never made the papers, but I know first
hand of a young woman who overdosed on a bus, and
the driver was smart enough and astute enough to
realize that there was a major problem, called
police, they administered Narcan, the young lady
is alive and well today. It does not make the
press, I am sure you know who the driver is and I
would like you to please give from this Board a
congratulations to that driver.

MR. SETZER: Absolutely.

BOARD MEMBER COMERFORD: I hope that they
were recognized and I think everybody should know
that these bus drivers, you know, there is some
good, some bad, but most of them take their jobs
very seriously. And this person could have just
assumed that this young lady was sleeping and she
would have been dead. So could you please give
this person a thank you.

MR. SETZER: Thank you, yes we will.

BOARD MEMBER COMERFORD: And I personally
know this young lady, so --

MR. SETZER: Oh, do you really, okay.

BOARD MEMBER COMERFORD: Yes.

MR. SETZER: You are right, there are quite
a few unsung heroes among the ranks of the
drivers. For the most part they do a great job,
I am very proud of the group. There is six
hundred and fifty, so on any given day you might
encounter the outlier, but they are a wonderful
group of employees and they are very dedicated
with what they do.

CHAIRMAN SHRENKEL: I do not know that story
Mr. Setzer, I just learned that. And I think
this bus driver should get some formal
accomodation.

MR. SETZER: Yes, yes, I think so too. In
fact, Mr. Cachera (phonetic)is working on a whole
program how we recognize superior performance by
drivers, the one time exceptional thing like
that, but also the ongoing good performance, like
getting to the time points on-time, a good safety
record, we definitely want to recognize that kind of performance.

I think that is the end of the presentation, so I am happy to respond to any questions here.

CHAIRMAN SHRENKEL: Are there any questions for Mr. Setzer; and of course, we can cover any parts.

BOARD MEMBER COMERFORD: Very thorough, thank you.

MR. SETZER: Thank you.

CHAIRMAN SHRENKEL: I have one question.

MR. SETZER: Yes, sir.

CHAIRMAN SHRENKEL: Going back to the breakdown of the buses, it looks like a sizeable percentage increase. I do not know the details, but I know we have a lot of new buses, so I was curious if you have any comments on that?

MR. SETZER: The metric is miles between breakdowns, right?

CHAIRMAN SHRENKEL: "Breakdowns disrupting service more than five minutes."

MR. SETZER: Yes, that is right, okay. You are right. There has been a significant increase in breakdowns, that is a separate category that defines those that last for more than five
minutes. Maintenance has been a continuing challenge for us, that is one area in the scorecard -- that is one of the areas that we are going to focus on for this coming year, that is part of the undependable. But I agree, that is not an acceptable trend.

CHAIRMAN SHRENKEL: Yes, I was just curious because there is more new buses now on the fleet than you had the prior year.

MR. SETZER: That is right.

CHAIRMAN SHRENKEL: I was just expecting less breakdowns.

MR. SETZER: I would have too, I agree.

BOARD MEMBER BLESSINGER: We also had a very rough winter, and the roads are in pretty bad shape right now.

BOARD MEMBER COMERFORD: And the potholes.

MR. SETZER: These are mechanical things, and they may very well be related to potholes, as well as cold weather, but extreme weather either way causes mechanical issues.

CHAIRMAN SHRENKEL: Are there any other questions for Mr. Setzer?

COUNSELOR LITTMAN: I just have one.

CHAIRMAN SHRENKEL: Certainly, Counsel.
COUNSELOR LITTMAN: Mr. Setzer, the 2014 fiscal number, the 121 number, that would include all the increases of service that was done in September of 2013, that would maintain all of them; including the N4 Express, the N6 Express and all the other service that was restored or increased back in September of 2013, correct?

MR. SETZER: That is correct, yes.

COUNSELOR LITTMAN: How about the N87 and the N88, the summer beach service?

MR. SETZER: That is included in that.

CHAIRMAN SHRENNEL: To further that thought, and to clarify for myself, we had additions in service in the 2014 budget that were just recently seen now, beginning in January, that we did not have in 2013?

MR. SETZER: That is right. You have twelve months. The things we implemented, mostly in September -- so you have six months and last year you have twelve months. In 2014 we are not expecting to -- we are expecting to adjust things periodically, but not to take away or add service.

One of the things that we have gathered from talking with our drivers is that there has been
-- the situations have been so dynamic the last
two years, in 2012 we took service off, and in
2013 we put it back.

CHAIRMAN SHRENKEL: You could not quantify
those good new increases, could you?

MR. SETZER: As to how many hours those
contribute?

CHAIRMAN SHRENKEL: How much money it
accounts for in our budget?

MR. SETZER: I do not know, could you think
of a way -- the September increases, let's say,
dollars, or hours?

MR. KHOUZ: I do know the September
increase in hours made about nine percent
increase, it was a very substantial increase in
September of last year. And you somewhat saw
that in the October fare box recovery, you saw
that fare box really jumped. And my feeling to
Mike is, I hope that if we were to sustain those
levels that you would see our ridership grow and
the --

COUNSELOR LITTMAN: But gentlemen, those --
I am sorry Jack. But those September changes are
on our busiest routes. And that was done to put
more buses on, more hours on, and alleviate some
of the overcrowding, correct?

MR. SETZER: That is correct.

COUNSELOR LITTMAN: That was done?

MR. SETZER: Yes, that was a major effort in September, and as well of some of the earlier ones. We had a smaller increase of last year, and a lot of that was to address operating conditions.

COUNSELOR LITTMAN: And that is what we want to maintain by going for the is 121.

MR. SETZER: That is right, yes.

COUNSELOR LITTMAN: You want more bus service than the people who ride the buses.

MR. SETZER: Exactly.

CHAIRMAN SHREKEL: Are there any other questions from the committee?

(Whereupon, at this time there was no response.)

Thank you, Mr. Setzer for a very detailed presentation.

MR. SETZER: Thank you.

CHAIRMAN SHREKEL: At this time what we would like to do is call on the public -- give me one second, thank you, and you are going to be first.

JOHN MICHNO: Okay, no problem.
CHAIRMAN SHREKEL: First, I would just like to ask everyone if they could please close their cell phones, if you have not already. The other of which is, we try to keep this to a time limit and we ask that you confine your thoughts and comments to a three minute period. What you should do is really confine what you would like to say, so that you get your punch lines in.

Also, when you come to the podium we appreciate you giving us your name, whether you are representing yourself or an institution perhaps and, you know, the town or the city you are talking about, and of course the bus route.

Sir, you are first.

JOHN MICHNO: Okay. First, I want to thank everyone at NICE Bus for dealing with this horrible winter we've had, the drivers have done a great job, you know, the --

BOARD MEMBER ROSARIO: And you are?

BOARD MEMBER COMERFORD: Your name, Sir. We need your name.

JOHN MICHNO: Oh, all right. I am sorry, no microphone. My name is John Michno, M-I-C-H-N-O, and I am from Westbury, New York. Okay. I'm sorry about that. I want to thank all the bus
drivers at NICE and the employees for getting through this rough winter, it had been a horrible winter. I also want to thank NICE for restoring the N27 full-time to Roosevelt Field and now Hempstead, that was causing a lot of issues for a lot of N27 riders and we sure do appreciate it.

And I also appreciate the difficult funding times that we have gone through, but I am very concerned about the cycle and the ridership going down, as well as the conditions of the bus.

I want to share with you, and you guys can look at this. Again, these are figures that are going to relate to what I am about to say. So just some of the conditions on some of the buses and stuff like that -- I will read it.

All right. I hear from my fellow riders as well as the drivers on the bus about the bus's maintenance, there has been more breakdowns and that was confirmed by Mr. Sheldon Shrenkel. So obviously I know I am not the only one seeing that. And the sad thing is that I was on a newer 1600 Series bus just a few weeks ago, it was making a loud horrible sound throughout the whole trip.

There is also a lot of problems with the
MetroCard readers, this is still going on, in fact, my MetroCard was recently damaged and now it does not work at all, and I have to wait for them to send me a new one; I have an Easy Pay reduced fare MetroCard. I don't own a smartphone, I can't afford one, so the new ticketing option won't break and it is not going to help me very much. And I don't know if there is even going to be a reduced fare option for people with disabilities.

Now, on figure A, a recent report of the dynamic declining ridership. Bus systems all around us have been gained, that should raised some red flags. You know, Long Island Railroad -- all their riderships are going up, while ours is going down, and that is with the same fare hike. That is something that is kind of alarming.

This is from the Tri-State transportation campaign. The riders are not happy, because a lot of the buses are more likely to be dirty, that is figure one, delays or breakdowns. And we need police patrols on the buses, as recent incidents have shown it is really becoming a haven for criminals and lowlives. The fact is
people don't want to put up with the service, many including myself get more unsafe, given all the gang graffiti on the bus, which is figure two.

Also, many drivers shut off the ventilation, leaving us in unhealthy stale air exhaled from the passengers. This is an ongoing issue, it was brought up with the MTA, the ventilation should be on, especially if the bus is crowded, because otherwise the germs are just going to sit in the air and make people sick. I know this, because sometimes I have to wear a mask because I have a very high weak immune system, so I can't afford to get sick.

Now, the latest changes on March 30th, the moving away from some busy lines, I don't get the elimination of the worst peak service, on the N1, that is going to put more people on an overcrowded N6, which is already, you know, crowded. Many N6 riders are fed up and started using the Long Island Railroad instead of City buses.

So the N27 half hour sees half service from Glen Cove, reduced to hourly after 6:00 p.m., and I am kind of baffled at this because spring has
arrived and now many of the day workers that are doing the landscaping and stuff are now using the service because the the weather is warming up.

And as a user of that route at those times, now I am going to have to consider using the Long Island Railroad, because it is going to be quicker for me to get home that way now.

BOARD MEMBER COMERFORD: Do not do it, I do it everyday.

CHAIRMAN SHREKEL: You want to wrap it out.

JOHN MICHNO: I don't know, I mean --

BOARD MEMBER COMERFORD: I was thirty-five minutes late here.

John micho: Okay. Well, whatever, some of the buses are late too. And also the N22 L was eliminated, and there were no runs put in its place to fill those runs. You know, in the morning, because the N22 gets very crowded, you know, it serves a lot of poor areas in New Castle, Westbury and it's now every half an hour in the peak direction out of Hickville. I understand the N22 L didn't go to Roosevelt Field and --

CHAIRMAN SHREKEL: Excuse me, sir. Can you just take another ten seconds and wrap it up.
JOHN MICHNO: Okay. Yeah, sure, I don't have a clock in front of me. So I just want to say that some of the routes haven't seen reductions, and all the figure are in front of you. The reality is far from how Mangano claims things are going in his recent speech.

But I wish you the best of luck. I really put the blame on Nassau County, they need to put more funding into the bus system, 2.6 million is not enough, the riders aren't happy and NICE you need to try harder so we can depend on safe, clean and reliable service. I know they are doing the best they can, but they need more funding, that's basically what I am trying to say.

BOARD MEMBERS: Thank you.

JOHN MICHNO: Thank you, I appreciate it very much.

CHAIRMAN SHRENSKEL: Again, we would like to call on the public for any comments, feel free.

COUNSELOR LITTMAN: Mr. Endo, go ahead.

YUKI ENDO: My name is Yuki Endo. Member of the Long Island Bus Riders Union and Riders Alliance. I am a resident of Jackson heights, Queens.
I am not happy with NICE Bus cutting most N1 rush hour trips to and from Jamaica. During rush hours, most N1 passengers want direct service to and from Jamaica, Queens. If N1 rush hour service is eliminated, you'll be forcing more passengers on the N4 and 4X and 6 and 6X, which are already crowded and more people will be flagged along their routes.

I am happy that N3 and N27 buses are returning to their original routing, with the N23 bus going back to Mineola and N27 bus going back to Roosevelt Field and Hempstead seven days a week; these routes should had never been touched in first place.

On weekdays, reducing N27 Hempstead bus during the evening to every hour is a horrible idea because buses will be packed.

N22 Limited, needs to be restored because most N22 riders use N22 Limited to avoid major bust stops, Roosevelt Field and Mineola Station.

I have created petitions to Simon Malls, Westfield, Green Acres Mall, Metropolitan Transportation Authority, Nassau Intercounty Express, Veolia Transportation, and Governor Andrew Cuomo to put more funding for MTA and
NICE, so MTA could provide MetroCard vending machines or MetroCard Bus/Van service to Nassau County.

New York State and New York City Department still hasn't updated the N4, 4X, Q5, X63 bus stops at Merrick Boulevard, Farmers Boulevard. Or the N2 Floral Park via Green Acres Mall bus stop at Hook Creek Boulevard and Merrick Road.

I am also suggesting NICE Bus to host public hearings besides Mitchel Field Depot, at the following to provide easy access to all passengers, like Rockville Centre Depot, public libraries, churches; I also suggest N28 Green Acres loop should be extended to Jericho Turnpike.

On Sundays 21:55, N20 Roslyn, Mineola Avenue bus stop should be extended to Hicksville station, while last N20 Flushing should be at 21:30.

I suggest NICE Bus to put schedule change posters or community meeting posters on windows of ex Long Island Bus/NICE Bus CNG fleets, including on back of bus operator on Orion V.

I also suggest Saturday N48, N49, or Sunday N49 bus should be extended to Newbridge
Road/Columbia Drive to provide easy access to and
from Jericho Quad. Thank you for your
cooperation. Sincerely yours truly, Yuki Endo.

BOARD MEMBERS: Thank you.

CHAIRMAN SHRENKEL: Thank you, Mr. Endo. I
hope you do not mind, but what we are also going
to do here is ask Ms. Comerford to read these
comments to the public, thank you.

(Whereupon, At this time the last statement
by Yuki Endo was re-read by Board Member
Comerford.)

CHAIRMAN SHRENKEL: Mr. Endo, thank you for
your comments, we appreciate them. There is
certainly a lot of them and Mr. Setzer, you will
have to digest them and act accordingly.

MR. SETZER: Yes.

CHAIRMAN SHRENKEL: Is there anyone else
that would like to address the committee or ask
questions to Mr. Setzer?

JOHN MICNNO: Well, actually I just wanted
to add to Yuki Endo's idea about the 48, 49. You
could extend the 35 to Jericho and provide
service along Jericho Turnpike. There is like a
Home Depot, there's a Khol's there, there is no
bus that goes down there. You got a lot of stuff
there, Westbury Music Fair, Home Depot, the movie theatre, it's a good way to generate a ridership.

CHAIRMAN SHRENKEL: Thank you.

Again, is there anybody else who would like to come to the podium, take three minutes and of course, address us and ask Mr. Setzer any questions?

No one else, no other public comments?

(Whereupon, at this time there was no response.)

Anyone on the committee have any further questions for Mr. Setzer?

BOARD MEMBERS: No.

CHAIRMAN SHRENKEL: All right. At this time, would anybody from the committee like to make any motions before this committee?

Okay. Mr. Rosario?

BOARD MEMBER ROSARIO: I move to adopt the resolution to approve the 2014 budget.

CHAIRMAN SHRENKEL: Would someone please want to second that motion?

BOARD MEMBER BLESSINGER: Second it.

CHAIRMAN SHRENKEL: Thank you. I think the best way to handle this would be, this motion, is Counsel, would you mind putting the motion before
the committee and calling the roll to take the votes?

COUNSELOR LITTMAN: Not at all, Chairman. Based on the testimony by Mr. Setzer today, his presentation, I believe and I will suggest as counsel to this committee, that we take a vote, a conditional vote. We will conditionally approve the resolution if this committee accepts that, the condition being that the 3.3 million dollars is somehow received and we have a balanced budget.

We will conditionally approve the resolution today and if everyone accepts that is how we will do the vote; does everyone agree to that?

CHAIRMAN SHRENKEL: Prior to voting, does everyone agree to the concept.

BOARD MEMBERS: Yes.

CHAIRMAN SHRENKEL: Everyone agrees, please note the minutes accordingly.

COUNSELOR LITTMAN: The vote will be to approve, to conditionally approve, the resolution of approving the 2014 fiscal year annual budget and plan.

Ms. Comerford, a vote in the affirmative is clearly "yes," and accepts the budget, the
resolution. And "no" is a negative.

BOARD MEMBER COMERFORD: Yes.

COUNSELOR LITTMAN: Mr. Blessinger?

BOARD MEMBER BLESSINGER: Yes.

COUNSELOR LITTMAN: Mr. Rosario?

BOARD MEMBER ROSARIO: Yes.

COUNSELOR LITTMAN: Chairman Shrenkel?

CHAIRMAN SHRENKEL: Yes.

COUNSELOR LITTMAN: Mr. Duroseau?

BOARD MEMBER DUROSEAU: Yes.

COUNSELOR LITTMAN: The record should reflect that the committee has voted unanimously to conditionally approve the budget resolution before today.

CHAIRMAN SHRENKEL: Would anybody else like to bring any other motion before this committee? (Whereupon, at this time there was no response.)

Okay. Now, with that our business is complete. Would anybody like to move to adjourn the meeting?

BOARD MEMBER COMERFORD: Aye.

BOARD MEMBER BLESSINGER: Aye.

CHAIRMAN SHRENKEL: Second it?

BOARD MEMBER DUROSEAU: Second it.
CHAIRMAN SHRENKEL: I want to thank you very much for coming today. This meeting is adjourned.

(Whereupon, the Nassau County Bus Transit Committee was concluded. Time noted: 5:15 p.m.)
CERTIFICATE BY COURT REPORTER

DONNA T. JOHANSMeyer a Professional Court Reporter and Notary Public in and for the State of New York, do hereby certify that the foregoing testimony taken in the matter of the March 21, 2014 Nassau County Bus Transit Committee consisting of pages 1 through 65 inclusive is an accurate transcription of my cryptic notes.

IN WITNESS WHEREOF, I SET MY HAND THIS DAY.

DONNA T. JOHANSMeyer
CERTIFIED COURT REPORTER
NORTH SHORE COURT REPORTERS
NOTARY PUBLIC STATE OF NEW YORK