



Wednesday, April 23rd, 2025
Hood River County Transportation District
1st Meeting of the Budget Committee

224 Wasco Loop, Board Conference Room
Hood River, OR 97031

5:00pm – 6:30pm

Meeting Minutes

Budget Committee Meeting Attendees:

Committee Members: Greg Pack, Jeremy Hull, Tamra Taylor, Matt Althoff, Cindy Walbridge, Leanne Hogie, Bo Jones.

Staff: Amy Schlappi, Tiah Mayhew, Tim Ravins

Absent: None

Amy called the meeting to order at 5:00pm.

2) Election of Budget Committee Chair:

Cindy made a motion to elect Leanne as Budget Committee Chair; Bo seconded the motion. Approved by all. Opposed by none.

3) Reading of Budget Message FY25-26 by Executive Director, Amy Schlappi:

Amy read the budget message which is included in the meeting materials, starting with the purpose of the budget and accomplishments of FY-2025. A few of the accomplishment highlights are that the District received and placed into operation two new 40ft Columbia Gorge Express vehicles, the 4-agency Gorge Transit Pass continues to see success, improved connection times for riders transferring between the different providers, created two new District held LGIP accounts for the STIF fund and Vehicle fund, procured new and improved dispatch technology to increase operational efficiency as well as improve rider experience and purchased an undeveloped parcel of land across the street from the CAT Transit Center. This site will be developed into a new park and ride, allowing the current park and ride location to be repurposed into a bus barn and maintenance facility capable of accommodating large vehicles.

Leanne was curious about the number of physical Gorge Passes sold compared to digital Gorge Passes. Staff informed the committee that they would gather the data and provide it at the next meeting.

The overall economic outlook for Hood River County Transportation District is good, if current funding sources remain stable and tariffs do not exponentially increase costs. The District is cautiously optimistic that current funding streams and awarded federal grants will not be impacted by the current federal government uncertainty. On July 1, 2025, the 25-27 biennium



will go into effect, allowing the District to utilize recently awarded/approved state and federal grant awards. This year the District will be shifting how the Federal 5311 Formula Funds are utilized, by utilizing them to fund the Hood River City, Upper Valley, and Dial-A-Ride services while leveraging STIF formula funds to pay for the match requirements. This will allow the District to use local funds to match capital grants and ensure the reserve/contingency balance remains healthy to protect the District from potential delays in reimbursements for federal grants.

Goals for FY26 include maintaining current service levels for year-round services, the transition of the Upper Valley deviated fixed route into a fixed route, increase efficiency of the Hood River City route by adding and relocating some of the stops. Adding a bus stop to the Columbia Gorge Express service in Cascade Locks at Forest Lane and Wa Na Pa which has been difficult due to the potential stop locations existing infrastructure, and continued implementation of the HRCTD Transit Master Plan. More goals are outlined in the meeting materials.

4) Initial Review of Budget FY25-26:

Amy explained that the Fiscal Year 2026 Budget allows CAT to maintain and enhance current services and continue implementation of key projects identified in the 2023 Transit Master Plan. The District's expectation is that ridership will continue to increase and be consistent with our ongoing investment.

The FY26 Budget has been broken out into resources, administrative requirements, operating requirements, and non-allocated requirements. The general budget consists of resources from federal and state grants, property tax revenues, and a variety of other smaller sources. CAT has included \$1.2 million in capital grant funds that were included in the FY25 budget that were not spent, and revenue was not received. In addition, CAT continues to carry over some Statewide Transportation Improvement Fund (STIF) Formula funds that were not spent in FY21-23 and FY23-25 funding cycles that have been reserved for bus stop improvements to ensure ADA accessibility but can also be used for Capital Expansion and Replacement. The staff has included resources for grants that have been awarded but have known reimbursement delays, restrictions due to the current federal government uncertainty, or the contracts have not yet been fully executed yet. These awards include \$483K for formula 5311 and 5310 funds, \$1.6 million for facility site development, \$540K for replacement vehicles, \$167K for increased demand response capacity, \$270K for the Gorge-To-Mountain Service, and \$6.5 million for electric vehicles and facility modifications as part of the FTA Low or No Bus Emissions program. Staff has included \$660K in loans that will be needed to assist with the match requirements for the FTA Low or No Emissions program. There was general discussion regarding resources.

Under Administrative Requirements staff have included Administrative Materials and Services, Administrative Personnel Services, and Administrative Capital Outlay. Under Operating Requirements staff have included Operating Materials and Services, Operating Personnel Services, and Operating Capital Outlay. Approximately \$1.2m of non-allocated resources are budgeted as contingency funds and funds reserved for future use.

Matt questioned the significant increase in the cost of operational benefits. Staff informed the committee that they would review the expense and report back at the next meeting.



Once the Budget Message was fully reviewed Amy then discussed the Salary Scale Review Memo that was handed out to all Budget Committee members in person and shared digitally so all participants could see the document. In FY2024 the District instituted a pay scale for all office staff/non-unionized employees to create a more structured approach to compensation. All drivers are considered collective bargaining unit employees, and their compensation is negotiated every 3 years and included in the union contract. The office staff/non-unionized pay scale included in the draft message was the original salary scale instituted in FY2024. Staff and the Budget Committee members discussed how it recently had become apparent that there were consistency and potential pay equity issues with that original salary scale that need to be addressed.

In partnership with the District's Human Resources consultant and outside accountant, staff created a couple of options for the budget committee to review and provide guidance. The main issues with the original pay scale were compression between positions, lack of clarity between performance increase and cost of living adjustments, inconsistent step increases, and encouragement of longevity within the District. Two options for a revised salary scale were included in the memo for discussion. Amy explained that both options address staff concerns; however, our Human Resources consultant would recommend option A if the budget committee and the Board feel comfortable with the financial implications.

There was a large amount of discussion regarding the two presented salary scale options. The committee recommended that staff continue to work with the Human Resources consultant on a proposed pay scale that alleviates the current concerns, confirm the financial impact and bring an updated version to the committee at the next meeting.

Recess:

Tamra made a motion to recess the Budget Committee Meeting; the motion was seconded by Bo. Approved by All.

Leanne recessed the meeting at 6:29 pm to be resumed on May 28th at 5pm.