Regular Board Meeting Minutes
Cache Valley Transit District
Wednesday, May 23, 2018
5:45 pm
Bridgerland Technical College
1301 North 600 West, Logan, Utah
Room 806/808

Present: Roger Jones, Holly Broome-Hyer, Rodger Pond, Dean Quayle, Norman Larsen, Cecelia Benson, Craig Wright, Sue Sorenson, Erik Ashcroft, Lloyd Berentzen, Heidi Harper, and Jeannie Simmonds

Excused: Patrick Jenkins, Shaun Bushman, Jeff Turley, Ron Natali, Lyle Lundberg, Amber Sleight, and Glen Schmidt

 Others: Todd Beutler, Curtis Roberts, and Charise VanDyke

Regular Meeting Agenda

1. Call to order: Board Chair Roger Jones

2. Acceptance of Minutes: Roger Jones asked for a motion to approve the March and April minutes. Due to conflicting motions in the March meeting on item 8 of the agenda, Sue Sorenson made a motion to amend the motion for 2.1 to remove the training schedule from the supporting documents list. Sue Sorenson moved for the approval of the March minutes with this correction, as well as to approve the April minutes; Craig Wright seconded. Vote was unanimous.

3. Approval of Agenda: Roger Jones asked for a motion to approve the agenda. Jeannie Simmonds moved; Rodger Pond seconded. Vote was unanimous.

4. Next Board Meeting: June 27, 2018 at 5:45 pm at Bridgerland Technical College

5. Questions and Comments for Management and Board (3 minutes or less): Dean Quayle asked for an update on the sales tax and the interlocal agreement with the County. Roger Jones answered that the County Council did pass the sales tax increase, they will be keeping all monies for a year, and that no formal interlocal agreement has been reached yet.

Board Business

Approved 06/27/2018
6. Presentation of Utah Local Government Trust Accountability Award - Jason Waterson, ULGT: The Trust Accountability Program (TAP) award is for the year 2017. The award has to do with safety; the purpose of the program is to incentivize organizations to get programs in place to avoid risk and loss. ULGT is serious about risk management and loss prevention, so they offer a discount on some of their premiums to organizations that meet certain requirements. ULGT also does risk lookovers—they observe drivers and facilities; CVTD staff insists that they do surprise visits and just drop in. Jason Waterson presented the award to CVTD.

7. Presentation of FY2017 Financial Audit - Jeannie Simmonds: Jeannie Simmonds went over the audit. The audit went well; there were no findings. The system is running efficiently and to the letter of law. Jeannie highlighted a few items on the budget to actual. The sales tax income was 109% of what was expected, so there was an increase. Interest income was also quite a bit what was anticipated (projections are kept conservative). Payroll and benefits were 8% under-budget. Professional and technical fees, which included the Short Range Transit Plan and legal fees, was under-budget as well. Most items were under-budget in Operational expenses aside from a spike in software expenses; this was due to an unanticipated upgrade. However, equipment costs were kept down in order to cover the expense, as the upgrade was more critical than the equipment. There were a couple of items over in Preventative Maintenance: Towing and Supplies for vehicles. Supplies for vehicles were running higher based on usage; staff is monitoring this increase. The rise in towing costs was due to one large towing bill to Salt Lake City, which was paid for by insurance. Preventative Maintenance was under-budget overall. Facility maintenance was also under-budget. Capital Outlay expenses were under-budget; these expenses included the purchase of two buses and the bus lift replacement. Most projects were completed with the only outstanding project being a bike and ride site-engineering project that will carry over into 2018. Curtis Roberts, CVTD Finance Director, answered questions from Lloyd Berentzen, Norman Larsen, Cecelia Benson. Currently the FTA defines large bus life as 12 years or 500,000 miles; CVTD generally gets 14 years out of their buses. Two buses were sold last year. A company out of California bought them; they became acquainted with CVTD a couple of years back when they repaired one of our buses that needed extensive repair ($80,000 worth). They were impressed with the overall condition of the bus, so they like to buy our buses to refurbish and resell (refurbished buses last about 7 years and are more for emergency acquisition). Norman Larsen asked if there was a shelf life on money; Jeannie Simmonds replied that reserve cash is used for grant matching, bus replacement, and match for a new building, so no shelf life. Jeannie Simmonds continued to highlight different areas of the audit. No items of concern; no findings of note. The auditors are required to look at internal controls; they felt that the internal controls in the accounting system were good. Lloyd Berentzen asked if there was a possibility that the population was being under-served (in regards to the extra income
from sales tax). Jeannie Simmonds answered that the additional tax revenue was completely unexpected and that budgeting is based on a steady growth pattern. Craig Wright commented that using that money for service could prove problematic because it could be committing to operations that cannot be maintained if the income amount drops. Curtis Roberts added that the sales tax bump was likely due to a purchase of a plane and increased construction work going on which is not tax exempt. So far, income this year has not been equal to last year. Curtis commented that he is nervous about the current trends, so he is keeping estimates lower. Rodger Pond asked if staff could factor the highest priority capital projects for the board. Curtis Roberts replied that there are thirteen buses that need replacing in the near future (to maintain existing service), funds to look attractive to federal grants (80/20 match), and a new building. Ridership fluxes up and down; CVTD should be ready for the next flux up. Todd Beutler commented that across the nation during the recession there was a 25% cut in service because there was less money coming in, even though demand was up because of the recession. It is the reason why CVTD manages conservatively, so that they can sustain consistent service. Roger Jones requested that if board members have questions about the audit later they bring those questions back to the next meeting instead of each asking the staff individually. Roger asked for a motion to accept the audit report as presented. Jeannie Simmonds moved; Norman Larsen seconded. Vote unanimous.

8. Discussion of District Board bylaws - Norman Larsen: Norman Larsen wanted to have a discussion to further understand the bylaws. Norman commented that in the board policy manual (3.4.6) it talks about members being properly prepared for meetings; board members should have information 48 hours ahead of time. Norman said that there was not enough time to examine the letter of support for the Local Option Transportation Sale Tax (adopted in the previous meeting). Roger Jones replied that as he read it, they did not necessarily mishandle the adoption of the letter. An item may be removed from the agenda, or delayed, with a motion by a board member and the concurrence of the majority. There was some urgency involved with the letter because the County was taking action soon. Norman suggested that process be flipped—instead of motioning to remove an agenda item, the board should instead motion to put it onto the agenda (if there are not 48 hours given). Craig Wright commented that it could essentially tie the board’s hands in times where there is urgency and a board member can still motion to hold off on an item. Erik Ashcroft stated that it might not tie the board’s hands; they can still motion to accept and it would create more pressure to present documents within 48 hours of board meetings. Roger Jones assigned the PEP Committee to look into the matter further.

9. Consider for adoption General Manager’s interpretation of policy 2.2 - Ron Natali: Craig Wright presented as Ron Natali was out of town. There was some discussion about if board members felt that the surveys were an effective method to review the
interpretations. This system tries to balance giving board members access and an opportunity to provide input, but also the ability to move quickly in board meetings. Craig reminded board members about the two-step process—first board members would read the interpretations and make comments; then after the interpretations are approved, they will receive the supporting documents to review. It was decided awhile back that it was too much effort for the General Manager to come up with all the documentation without understanding what the board was expecting of him. By reviewing the interpretations first, the reports that will be given to the board will be more in line with what the board expects (versus being off the mark). Lloyd Berentzen feels like this process is thorough and long. Cecelia Benson expressed that she feels like the process is efficient. Craig Wright mentioned that the PEP committee did not feel there was any particular reason to dive deeply into the interpretation for 2.2 (most board members approved of the interpretations on the unofficial ballot), but board members were welcome to express any concerns as they moved through the sections. Roger Jones asked that instead of approving each interpretation separately they’d be approved in one vote. Craig Wright moved through each interpretation (2.2, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6) to see if there was input or questions from the board. Jeannie Simmonds questioned about if a handbook was proof of implementation because it is not data. Craig Wright said that it is enough proof from his perspective; if they see a rise in accidents or the like, the board can ask for more proof. Todd Beutler commented that after the board accepts the interpretations, he is fine with the board giving further input on the documentation they’d like to see during the next step of the process (without changing the interpretations). Sue Sorenson added that sometimes the proof are the policies, as it is evidence that a policy is in place; the PEP Committee decided to change the wording of the question in the survey from “data” to “documents” i.e. “Do the documents demonstrate achievement of policy?” Sue Sorenson moved that the board accept the General Manager’s interpretation of Policy 2.2 (overall) and to amend the motion as documented (added the employee satisfaction survey to the supporting documents for 2.2 and 2.2.2; clarified “employee handbook” to “the applicable section(s) of the employee handbook” in 2.2 and 2.2.1; and corrected a grammatical error in 2.2.6 i.e. “encourage” to “encourages”). Rodger Pond seconded. Vote unanimous.

10. Board Chair report: Roger Jones asked Todd Beutler to go over a comparison of benefits with other entities in the valley. Todd reviewed some of the differences in insurance and retirement. A good benefits package aids in attracting and retaining people. Employees are paid less of a starting salary with a healthier benefit package because when they have asked employees which they value more they choose benefits over a higher starting wage. Management looks at total compensation. CVTD does not participate in the Utah Retirement System, or with Social Security, which creates some differences. There was some discussion about social security. Roger Jones asked if there were any further comments or questions before they moved on.
Roger mentioned the Cache County Council meeting on May 8, which three board members attended; he asked Holly Broome-Hyer to share on that. Holly said that she was concerned about the comments made by the other board members during the meeting. Holly commented that board members should be careful to offer complete information. Particularly in regards to a comment made about “surplus” money; this money is earmarked for such things as the Short Range Transit Plan, facilities, new bus purchases, it is not as if it has no purpose. She thinks that this was a bad representation of CVTD. Holly would like to go back to the Cache Council and present to clear up misunderstandings. Norman Larsen said that in his defense, he did not make false statements and he has been against the taxes from the beginning. Holly replied that she was not talking about the tax, rather how CVTD was represented in the meeting with no explanation for the statements made, like the complete reasons why ridership is down. Jeannie Simmonds asked if the County Council made these statements and Norman replied that he had said them. Erik Ashcroft asked Holly if she did not want the County Council to get the whole story just the good parts. Holly replied that she wants them to have the whole story, but that is not what they got. Roger Jones stated that there are nineteen board members and not just two, so when they go around suggesting that the rest of the board members do not know what they are doing—he thinks that is unfortunate and totally inappropriate. Holly added that she went through the minutes, and even though Erik Ashcroft stated that he was there for himself, he was listed in their minutes as a representative of the CVTD board. Holly continued that it is important to give them more information so they get the whole story. Roger Jones asked if there were any objections to Holly Broome-Hyer going to present to the Cache County Council. No objections.

11. General Manager Report: Todd Beutler notified board members that the rider who had aired grievances to the board before, might be contacting the Logan representatives. This individual filed a Title VI discrimination complaint about there being no Spanish translations (of a particular notification) on the paratransit buses. It was denied. Curtis Roberts (as the Title VI Officer) explained that a Title VI complaint could only be made on the ground of race, color, or national origin; this individual wrote in their own reason. This rider does not have limited English proficiency. Additionally, the staff knows who all the paratransit riders are—there are no riders with limited English proficiency. On fixed route buses, however, notifications are printed in both English and Spanish because there is enough of a Spanish-speaking population to merit this. Overall, CVTD has been following their limited English proficiency plan. Some additional discussion. Roger Jones said that board members, if they so choose, can say that they feel comfortable with the way that staff has handled this issue if they are contacted.

12. **Adjourn**: Board Chair Roger Jones adjourned the meeting.

Approved 06/27/2018