

- 42 7. Consideration for adoption General Manager's interpretation of policy 2.6 – Craig
43 Wright, Board Member: Craig Wright called for a motion to accept the interpretation
44 of the 2.6 policy as it stands (with the changes suggested by the PEP Committee, i.e.
45 changes to 2.6.2 – "five-year service and capital plan" to "a transportation
46 improvement plan, which is a multi-year service and capital plan," removal of
47 "vehicle and facility inspection forms" and "short range transit plan" from the
48 supporting documents, and the addition of "vehicle and facility maintenance
49 performance report" to the supporting documents list; change to 2.6.3 – "summary of
50 training" to "summary of training per position"; change to 2.6.4 – removed
51 "explanation of the District document backup process" from the supporting
52 documents list; changes to 2.6.5 – "will not hire" to "will not hire as an employee,"
53 corrected "Board" to "Board member," and added "hiring policy as it relates to this
54 interpretation" to the supporting documents list; change to 2.6.6 – added "annual
55 statement of disposed surplus" to supporting documents list). Sue Sorenson moved to
56 accept the interpretation of 2.6. Rodger Pond seconded. Opened to the board for
57 discussion. No discussion. Craig Wright called for a vote. Vote unanimous.
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- 59 8. Handling of Policies 2.7, 2.8, & 2.9 – Ron Natali, PEP Committee Chair: Ron Natali
60 explained that the next three interpretations are short, so they will all be done in the
61 October Board meeting.
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- 63 9. Presentation of second quarter budget to actual – Glen Schmidt, Finance Committee
64 Chair: Glen Schmidt presented the budget to actual through June. The cost of diesel
65 fuel has gone up; the staff will keep the board apprised. The project that was
66 completed in the capital outlay was the repair of a leaking window in the transit
67 center (the project carried over from last year). Sales tax revenue is coming in lower
68 than anticipated. Curtis Roberts added that when the District received the sales tax in
69 June it was lower than last year, but that the District will still be okay for this year's
70 budget; however it would be impacting projections for the coming budget.
71
- 72 10. Presentation of budgetary themes – Curtis Roberts, Chief Financial Officer: The
73 board has given the staff direction to provide information on the budget sooner. It is
74 too early to put in projections for 2018 projected to year-end. However, that column
75 will be filled for the October board meeting; 2018 numbers are in there for
76 comparison. The tax revenue that the county just passed has not been included in this
77 tentative budget because those projections are still being fine-tuned; the board can
78 discuss what service to spend those revenues on in the October budget. As discussed
79 previously (item 9), sales tax revenue came in lower than expected in June; right now
80 sales tax is projected to be a 3% increase for next year (with the 4% projected to the
81 end of this year hopefully holding). Projections for operating funds from federal grant
82 revenue has been kept comparable to last year to avoid increasing dependence; they
83 are trying to keep dependency as consistent as possible. The revenue from interest has

84 doubled because the Federal Reserve has raised interest rates, so this amount has gone
85 from insignificant to helping. Now to examine expenses; revenue projections are kept
86 conservative to prevent expenses from growing astronomically. Todd Beutler sent out
87 a memo detailing an issue that is hitting critical mass; the District is short about ten
88 drivers from where they should be (current drivers is 66 and it is usually between 76
89 to 85 drivers this time of year). Shifts are being filled the very day the bus is running
90 and this isn't one or two shifts, but six to eight shifts; realistically, operations can
91 handle two to four shifts, however filling six to eight shifts means that there is stress
92 in the system. It's hit the point that operator supervisors and dispatchers are out
93 driving. Requests for time off have to be denied. They surveyed people who were
94 leaving and those sticking around; part-time drivers are taking jobs where they can
95 make more or prioritizing work from those jobs. Full-time drivers are feeling the
96 effect of the increase cost in goods and value their benefits. The District is not
97 competitive in the market (Walmart hiring at \$11 an hour, Thermal Fisher \$12 an
98 hour, city garbage truck drivers \$15.60 an hour, and Casper's \$12 an hour); other
99 businesses are as competitive as the District, but they are not asking employees to
100 drive a bus and deal with people. To raise the pay \$2 an hour for drivers and service
101 workers will cost about \$200,000 dollars. The next budgetary theme is marketing.
102 The marketing firm that the District has been working with has come back with a
103 marketing plan. The initial plan they proposed cost a half-million; the plan they are
104 proposing now costs \$200,000. The District is reducing internal marketing by
105 \$44,000, so it will cost \$156,000 total. The marketing firm will be presenting on their
106 concepts in the next board meeting. The last budgetary theme has to do with fuel.
107 This year the price per gallon of fuel was estimated to be \$2.50, so this year's budget
108 is too low (currently at around \$2.90); for next year, staff is estimating \$3.00 per
109 gallon. Curtis Roberts asked the board if this was the right course and if it was what
110 the board was looking for. Holly Broome-Hyer opened it up for discussion. Jeff
111 Turley stated that because Erik Ashcroft is out of town, he asked Jeff to ask some
112 questions in regards to the increase to wages; Erik asked why Aggie Shuttle is fully
113 staffed even though they only pay \$9 an hour. He also asked how the job postings are
114 advertised. Todd Beutler answered that he meets regularly with the director over
115 Aggie Shuttle and they're just trying to meet service, much like the District is; he
116 doesn't know who Erik's talking to in regards to this, but the Aggie Shuttle director
117 doesn't feel that way. Nicole Tuttle, HR, answered that job postings are listed on the
118 major hiring websites (such as Indeed, Monster, and Glassdoor), Workforce Services,
119 and LDS Employment, as well as CVTD's Facebook, Twitter, and website. Media
120 blasts (such as radio ads) are not in the budget. The \$1500 sign-on bonus and the
121 \$750 employee referral program hasn't moved the needle on getting applicants in.
122 The washout rate for new trainees has gone up 25% as compared with three years
123 ago; every employer out there is starving for employees. The training process takes a
124 long time; it is a \$2800 investment to get them through training. The part-time
125 turnover rate is rising, but the full-time is significantly low. Craig Wright commented

126 that he works over at USU parking and they're concerned over at Aggie Shuttle;
127 they're trying to get applicants and the washout rate is high over there as well. The
128 board and staff discussed more details on the issue. Staff is suggesting adding some
129 additional full-time drivers to get stability to the system. Norman Larsen asked what
130 budget line the marketing firm is located on. Curtis Roberts replied professional fees;
131 District staff will be doing less marketing, instead putting that amount towards the
132 professional marketing firm (so the net increase to the budget is just over \$150,000).
133 Norman asked what else makes up professional fees; Curtis Roberts answered that it
134 is made up of legal fees, the marketing firm, the law enforcement contract, and audit
135 fees. Todd Beutler added that they could bring more details about this to the next
136 board meeting. Holly Broome-Hyer asked that board members email questions about
137 the budget to Todd, so they can bring back more information to the next board
138 meeting. Cecelia Benson asked what the projected rate of return was on this
139 marketing plan and what the end goals were. Todd Beutler answered that this is a
140 huge investment and it hasn't been proposed lightly; board members should ask the
141 marketing firm such questions as this at the next board meeting. Board members can
142 email Todd questions and he will pass them on to the marketing firm. Ron Natali
143 stated that from listening to the discussion, he believes that the staff is headed in the
144 right direction; the District needs to retain staff and drivers, as they are valuable
145 assets. Dean Quayle agreed with Ron; he added that he is worried that the increase in
146 wages will not be enough and asked if the staff might have to come back again on the
147 matter. Curtis Roberts answered that they're trying to balance this issue and not put
148 fiscal pressure on the District; he added that he would like to say that the staff won't
149 need to come back to the board, but if unemployment continues to lower that is a
150 possibility (to add perspective 5% unemployment is considered "full employment").
151 Lieren Hansen said that it is good they're raising the pay to be more competitive and
152 asked how often wages are raised. Todd Beutler said that they do market research
153 every year and that there are different markets for different positions. Rodger Pond
154 stated that given the unemployment rate, Dean Quayle brought up a good point; with
155 the unemployment rates being so low, maybe they should talk about a range of money
156 to consider, as well as what if scenarios, to make sure that the District isn't under
157 budgeted because they need to make sure they can meet service. Craig Wright stated
158 that he thinks that staff is headed in the right direction on the staffing issue and that it
159 sounds like the budget is headed on the right track. Norman Larsen asked if the
160 budget was a zero-based budget. Curtis answered yes, every person with budgetary
161 responsibilities works from a zero-based budget; they can reference previous budgets,
162 but all expenses need to be justified. Curtis Roberts informed the board that the
163 decision for insurance needs to be passed in October because the contract for
164 insurance needs to be signed, as well as employee open enrollment.

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166 11. Consideration for adoption wage and staffing adjustments (vehicle operators and
167 cleaners) – Todd Beutler, General Manager: Todd Beutler stated that there had been a

168 lot of discussion on this issue already. The staff is asking the board to adopt a pay
169 increase of two dollars for vehicle operators (full-time and part-time) and vehicle
170 cleaners, as well as add four additional full-time vehicle operator positions. Curtis
171 Roberts clarified that this would be an immediate adoption. Dean Quayle moved to
172 accept the staff's recommendation of the two-dollar pay increase and the addition of
173 four full-time drivers; Ron Natali seconded. Norman Larsen opposed; everyone else
174 was in favor. Motion passed.

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176 12. Board Chair's Report: Holly Broome-Hyer talked about points of interest on the
177 upcoming board schedule. In the October meeting, the Board will be electing the vice
178 chair. In November's meeting (November 14) a tentative budget will be passed.
179 December's Board meeting (December 12) will need to have a quorum present, so
180 Board members should plan accordingly. December 15 is the Board social.

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182 13. General Manager's Report: Todd Beutler updated the Board on a CAR passenger who
183 had previously come and talked to the Board. Due to a second violation of the
184 conduct policy, he will be required to ride with an attendant (as outlined in the first
185 violation notice). Todd Beutler talked about the transportation task force. Senator
186 Harper, who is the chair, had been informed that the District had four million dollars
187 of surplus money in the fund balance, so in one of the meetings he said that the
188 District didn't need any more funds; Todd met with him to clear up this
189 misinformation. Todd talked with the senator about how the fund balance is used and
190 what the District has been doing to build a new facility. In 2009, the Board decided to
191 look into building a new facility (the current facility was built to be a 20-year
192 facility). The board decided to purchase property. The District has been saving money
193 in the fund balance for a new facility since then. The fund balance is also used for bus
194 replacement. In 2022, there are five buses that the District has not secured funding
195 for, which will cost a total of 2.5 million dollars to replace. The District has been
196 looking into multiple ways to build a new facility, such as bonding and building the
197 facility in phases. Some years the District was able to contribute money to the fund
198 balance; other years the District has had to use money from the fund balance for bus
199 purchases. Senator Harper said that was not how it was communicated to him; after
200 meeting with Todd, the senator walked into the transportation task force meeting and
201 said that he'd been given additional context. Todd asked Board members that if they
202 have any questions to contact staff, so that the correct information is given. Lieren
203 Hansen asked where the property is located; Todd answered that it is in North Logan
204 around 3100 north. There is only a handful of transit districts that keep their buses
205 outside in a climate as cold as ours (only about 4 or 5); NAIPTA in Arizona just built
206 an interior bus storage facility a year ago and they've already noticed a drastic
207 difference in bus maintenance. Norman Larsen asked what had been approved; Todd
208 answered that the Board approved the purchase of the land with the intent to build.
209 Todd Beutler informed the board that the lobbyist for the association of counties

210 indicated that Cache County is planning to approach the legislature to change the tax
211 allotment of the transportation tax passed in May (20% county, 40% city, 40%
212 transit) by implementing the Draxler bill with the intent to limit the amount of money
213 going to transit to 10%. Craig Wright asked what the vibe is from the work group
214 about the Draxler bill; Todd Beutler answered that it's becoming evident that
215 transportation is a statewide problem and that there is recognition that transit needs to
216 be a part of the long-term solution. At the end of the day, politics are politics; it is
217 important that the people making decisions be given correct information.

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219 14. **Adjourn:** Acting Chair Holly Broome-Hyer asked for a motion to adjourn. Craig
220 Wright moved.