Regular Board Meeting Minutes  
Cache Valley Transit District  
Wednesday, September 19, 2018  
5:45 pm  
Nibley City Offices  
455 West 3200 South, Nibley, Utah

Present: Holly Broome-Hyer, Glen Schmidt, Lieren Hansen, Ron Natali, Rodger Pond, Dean Quayle, Jeff Turley, Cecelia Benson, Craig Wright, Sue Sorensen, Heidi Harper, Norman Larsen, and Lyle Lundberg

Excused: Lloyd Berentzen, Roger Jones, Shaun Bushman, Erik Ashcroft, Patrick Jenkins, and Jeannie Simmonds

Others: Todd Beutler, Curtis Roberts, and Charise VanDyke

Regular Meeting Agenda

1. Call to order: Acting Chair Holly Broome-Hyer

2. Acceptance of Minutes: Holly Broome-Hyer asked for a motion to approve the minutes and agenda. Rodger Pond moved; Ron Natali seconded. Vote was unanimous.

3. Approval of Agenda: Holly Broome-Hyer moved the approval of the agenda with the minutes. Vote was unanimous.

4. Next Board Meeting: October 24, 2018 at 5:45 pm at BATC Main Campus

5. Questions and Comments for Management and Board (3 minutes or less): No questions.

Board Business

6. Presentation on BRAG senior companion program – Roger Jones, Board Chair: Roger Jones was absent, so Debra Smith, Director of the Senior Companion program, presented. Debra summarized how the Senior Companion program works and the funds involved in running the program. She asked the Board to consider funding this program with the grant pool monies that was discussed with the Local Option Transportation Sales Tax.

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7. Consideration for adoption General Manager’s interpretation of policy 2.6 – Craig Wright, Board Member: Craig Wright called for a motion to accept the interpretation of the 2.6 policy as it stands (with the changes suggested by the PEP Committee, i.e. changes to 2.6.2 – "five-year service and capital plan" to "a transportation improvement plan, which is a multi-year service and capital plan,” removal of "vehicle and facility inspection forms" and "short range transit plan" from the supporting documents, and the addition of "vehicle and facility maintenance performance report" to the supporting documents list; change to 2.6.3 – "summary of training" to "summary of training per position"; change to 2.6.4 – removed "explanation of the District document backup process" from the supporting documents list; changes to 2.6.5 – "will not hire" to "will not hire as an employee," corrected "Board" to "Board member," and added "hiring policy as it relates to this interpretation" to the supporting documents list; change to 2.6.6 – added "annual statement of disposed surplus" to supporting documents list). Sue Sorenson moved to accept the interpretation of 2.6. Rodger Pond seconded. Opened to the board for discussion. No discussion. Craig Wright called for a vote. Vote unanimous.

8. Handling of Policies 2.7, 2.8, & 2.9 – Ron Natali, PEP Committee Chair: Ron Natali explained that the next three interpretations are short, so they will all be done in the October Board meeting.

9. Presentation of second quarter budget to actual – Glen Schmidt, Finance Committee Chair: Glen Schmidt presented the budget to actual through June. The cost of diesel fuel has gone up; the staff will keep the board apprised. The project that was completed in the capital outlay was the repair of a leaking window in the transit center (the project carried over from last year). Sales tax revenue is coming in lower than anticipated. Curtis Roberts added that when the District received the sales tax in June it was lower than last year, but that the District will still be okay for this year’s budget; however it would be impacting projections for the coming budget.

10. Presentation of budgetary themes – Curtis Roberts, Chief Financial Officer: The board has given the staff direction to provide information on the budget sooner. It is too early to put in projections for 2018 projected to year-end. However, that column will be filled for the October board meeting; 2018 numbers are in there for comparison. The tax revenue that the county just passed has not been included in this tentative budget because those projections are still being fine-tuned; the board can discuss what service to spend those revenues on in the October budget. As discussed previously (item 9), sales tax revenue came in lower than expected in June; right now sales tax is projected to be a 3% increase for next year (with the 4% projected to the end of this year hopefully holding). Projections for operating funds from federal grant revenue has been kept comparable to last year to avoid increasing dependence; they are trying to keep dependency as consistent as possible. The revenue from interest has

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

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

11. Consideration for adoption wage and staffing adjustments (vehicle operators and cleaners) – Todd Beutler, General Manager: Todd Beutler stated that there had been a
lot of discussion on this issue already. The staff is asking the board to adopt a pay
increase of two dollars for vehicle operators (full-time and part-time) and vehicle
cleaners, as well as add four additional full-time vehicle operator positions. Curtis
Roberts clarified that this would be an immediate adoption. Dean Quayle moved to
accept the staff’s recommendation of the two-dollar pay increase and the addition of
four full-time drivers; Ron Natali seconded. Norman Larsen opposed; everyone else
was in favor. Motion passed.

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

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

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

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