Regular Board Meeting Minutes  
Cache Valley Transit District  
Wednesday, August 26, 2020  
5:45 pm  
CVTD Administration Building  
754 West 600 North, Logan, Utah  
Electronic

Present: Holly Broome-Hyer, Glen Schmidt, David Geary, Lieren Hansen, Gregory Shannon, Sue Sorenson, Ron Natali, Cecelia Benson, Elaine Thatcher, Jeannie Simmonds, Shaun Bushman, Abraham Verdoes, Bruce Lee, Mike Arnold, and Craig Wright

Excused: Jeff Turley, Paul James, Lyle Lundberg, and Patrick Jenkins

Others: Todd Beutler and Charise VanDyke

Regular Meeting Agenda

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

2. Acceptance of Minutes: Holly Broome-Hyer asked for a motion to approve the June and August 12 minutes and the agenda. Holly Broome-Hyer asked that the agenda be amended to include Review of the 2nd Quarter Financials. Jeannie Simmonds 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: September 23, 2020

5. Questions or comments from public: No comments or questions.

Board Business

6. Board Business:
   A. Swearing in of new board member – Curtis Roberts, Administration Director: Bruce Lee was sworn in by Todd Beutler (Curtis Roberts not present).

   B. Recognition of Congressman Rob Bishop – Holly Broome-Hyer, Board Chair: Rob Bishop was thanked for helping the District to secure funding for the new facility. During his tenure in congress, he has helped the District acquire funding

Approved 09/23/2020
multiple times, including helping to get the land for the new facility. He will leave behind a legacy of service and a positive impact on the citizens. Holly Broome-Hyer asked Todd Beutler to detail the funding Rob Bishop has helped the District to receive. During his tenure starting in 2003, he has helped the District to obtain 24.2 million dollars (money for current facility improvements, hybrid buses, land for the new facility, expansion of the transit center, a park and ride lot by the transit center, and money for a new facility). Overall, this is not about the number, but about the amount of lives touched. Congressman Rob Bishop spoke briefly. The credit lies with the many involved, including D.C. staff, and the leadership of the District. There was a lot of working together to make it happen. Efforts were successful because there was a good story to tell and a need.

C. Presentation by Katie Busch with HRCC – Holly Broome-Hyer, Board Chair:
Some background information on the existing compensation policy. In 2017, the Board contracted HRCC to review the pay for the CEO position and make recommendations based on updated market data. Through this process, a local and regional salary survey was conducted with a resulting pay range recommendation. They also worked on strengthening the Board’s policy on how to determine actual pay and pay increases for the CEO. From this policy, the Executive Committee establishes the base salary/pay range from the comparable industry market; this includes information from various sectors and locations. When establishing the pay range, cost of living in the local area is determined, as well as examining transit organizations both inside Utah and regionally (because the CEO position has mobility to go elsewhere). Information used to develop the pay range can be updated as needed and will be updated every three years. Pay will not exceed the maximum of the range. Rather than increasing the base pay each year, the Board can also authorize a one-time pay out instead. In 2017, HRCC found that the District was on track; the pay itself was in the right position in the middle of the market. During the last three-year pay range (2017-2019), the board decided to authorize one-time pay outs in 2017 and 2018, but not increase the base pay. In 2019, the board authorized an increase to base pay; the last increase to base pay was in January 2014. The increase to base pay in 2019 made sense. There have been no changes in the retirement program in the last three years and only minor changes to the benefits plan. Looking at the market survey summary for 2020, and the average of pay ranges of the examined organizations, HRCC is proposing an updated pay range of $100,000 to $140,000 ($120,000 as the midpoint). The ultimate goal is to develop a pay range to last for three years. The current CEO pay is positioned well and in the middle of the proposed ranges; the pay is in the middle of the market, not too high and not too low, so in a competitive position. Final decisions about this range don’t have to be made until October.
D. Consideration of the bidding process for the financial audit – Glen Schmidt, Audit Committee Chair: The District has been with the current auditors for a long time, so it is an appropriate time to put out for bid. The process needs to get going now to get an auditor in place for 2020. Discussion about the current auditors and process. The current auditor is Jones Simkins. The current auditors can choose to bid on it. Staff has negotiated price with them in the past, but it hasn’t been put out to bid for a while. Current auditors haven’t done anything wrong, but it’s good to put it out for bid and see what happens. Makes good sense from a business perspective. Holly Broome-Hyer asked for a motion to put the audit out for bid. David Geary motioned; Glen Schmidt seconded. Vote unanimous.

E. Review of 2nd Quarter Financials – Glen Schmidt, Audit Committee Chair: Sales taxes were surprisingly good for the quarter; the stimulus grant (CARES funding) should help cover any shortages to taxes in the future (largest revenue source). Todd Beutler and Curtis Roberts have been managing things well (wouldn’t have gotten the grant for the new facility if not for the match). Things are running pretty normal, so no big surprises. Discussion about the CARES funding. The District has started to use CARES funding for the additional COVID-19 expenses like masks, extra cleaning, professional services for cleaning, driver barriers, etc.

F. GM evaluation and compensation review – Shaun Bushman, Board Member: Review of the process for the CEO’s evaluation and compensation as set forth in the bylaws and policy governance manual. Discussion about the budget, the Consumer Price Index (CPI), and employees. The CPI is not an internal performance indicator, but an economic performance indicator; it is tied more to how much money is set aside in the budget for superior performance pay. There have been situations where the District has had a great year and the amount determined by the CPI has been low. The salary market would be better than the CPI to determine funding. Discussion about the monitoring report. The Board has accepted the CEO’s interpretations; the Board (via the PEP Committee) does a review and evaluation and creates a report to the Executive Committee. Now that the templates are in place, it will go faster the next time around.

G. Discussion on Board structure – Craig Wright, Vice-Chair: There wasn’t a lot of consensus on the feedback received. A committee can sift through the feedback and come back with a proper proposal.

7. General Manager/Staff Reports:
   A. Facility Update – Todd Beutler, CEO: On September 15, the staff will have a kickoff meeting with the FTA office to start the ball rolling for the new facility. More information will be available after this meeting.

Approved 09/23/2020
B. Quarterly service report – Todd Beutler, CEO: Ridership was affected by COVID-19 starting in March when school was canceled, as well as by the stay home, stay safe order that was in effect until May. Even during this time when the District was encouraging passengers only to use the bus when needed, there were still 22,000 trips transporting individuals to their jobs and medical appointments. Reduced service began at the beginning of April and was in effect until the beginning of June. Ridership is starting to come back up.

8. Board Chair Report:
   A. Update from CTAA Conference – Holly Broome-Hyer, Board Chair: Across the country due to COVID-19, ridership has dropped as low as 25 percent. In some areas, routes had to be discontinued. A few lessons learned from transit agencies from COVID-19 across the country: have open communication with the community, have reserve supplies on hand, provide masks on buses and hand a mask to a passenger to avoid confrontation, and cleaning is a good way to go. Buses could potentially be redesigned in the future from lessons learned, including increasing airflow and having a way out of the bus for the driver (for safety from an angry passenger). Todd Beutler spoke about lessons learned from the 2008 and 2009 economic downturn, which has helped with the COVID-19 response. Because of the lessons learned, a toolbox was created to scale down service if needed; the staff had already identified areas of redundant service that could be reduced if needed, as well as other thresholds and analytics. The economic downturn reinforced the importance of setting aside funding for future challenges; because of this, even if there hadn’t been stimulus money, the District would have been okay. During the economic downturn, the staff also learned that when unemployment rises, demand for service goes up. COVID-19 has been a great learning experience from the standpoint of developing people and putting processes into place; this will better position staff if there continues to be an economic downturn from the pandemic.

9. Adjourn: Board Chair Holly Broome-Hyer adjourned the meeting.