Regular Board Meeting Minutes
Cache Valley Transit District
Wednesday, December 16, 2020
5:45 pm
CVTD Administration Building
754 West 600 North, Logan, Utah
Electronic

Present: Holly Broome-Hyer, Glen Schmidt, Lieren Hansen, Cecelia Benson, Jeannie Simmonds, Shaun Bushman, Jeff Turley, Patrick Jenkins, Terrie Wierenga, Gregory Shannon, Sue Sorenson, Lyle Lundberg, Bruce Lee, David Geary, Abraham Verdoes, Elaine Thatcher, and Craig Wright

Excused: Mike Arnold and Paul James

Others: Todd Beutler, Charise VanDyke, and Curtis Roberts

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 November minutes and the agenda. David Geary moved; Cecelia Benson 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: January 27, 2021

5. Questions or comments from public: No comments.

Board Business

6. Board Business:
   A. Presentation of Emissions Testing – Dr. Randal Martin, USU Associate Professor:
   This study is a follow up to the on-road studies done in 2007 and 2011. Three buses were used to collect data (two diesels and a hybrid). Each bus used a consistent route (Route 5). The route was chosen because it has variable speeds and is a good representative route. Uphill and downhill variabilities were not examined, but the route was good enough for the comparisons of the study. Data was collected by an onboard OBD system, which measures exhaust flowrate,

Approved 01/27/2021
temperatures, pressure, vehicle speed, and engine RPM. Emissions were measured using specialized instrumentation in the tailpipe, which collected data once per second. Ammonia was also measured; it was not required, but was of interest for comparisons with another Cache Valley/Wasatch Front project. The three buses used in the study were a 2008 diesel bus (with 431,000 miles), 2011 hybrid bus (with 251,432 miles), and a 2019 diesel bus (with 61,869 miles). The Cache Valley/Wasatch Front study used a gasoline fleet of 49 vehicles that represent the vehicles along the Wasatch front (vehicles were from Tier 0 – 3). To finish the CVTD study, a few things need to be done: QA/QC the data, reexamine previous study calculations, compare previous studies and applicable standards, and write and submit the final report. A bus and route average also needs to be developed to find out how many passengers per bus are needed to reach parity. Discussion about the study. Emissions are consistent throughout the seasons; emissions vary more on startup. Different drivers can have some impact on vehicle emissions. Voluntary measures, such as riding the bus, are hard to quantify for the EPA. Paratransit buses were not used in the study. Three larger buses that are typical of buses in the fleet (older, mid, and new) were used to extrapolate for the whole fleet. Different fuels come with different tradeoffs (less of some pollutants, more of others). There aren’t a lot of differences between a loaded and an empty bus as far as emissions go.

B. Public Hearing on FY 2021 budget: Holly Broome-Hyer opened the budget for public discussion. Art Smith commented that the cost per trip seems expensive to operate and he thinks service should be reduced. He also commented that the budgeted amount for planning and development of the new facility seems too high. No additional questions or comments from the public. Patrick Jenkins motioned to close the public hearing. David Geary seconded. Vote unanimous.

C. Consideration for adoption FY 2021 budget – Curtis Roberts, Administration Director: There were three changes made between the tentative and the final budget. After the tentative budget was passed, Cache County was awarded a planning grant through Utah Department of Transportation. This grant was done in partnership with CVTD and Cache Metropolitan Planning Organization. The grant will study how to provide “first mile, last mile” service to commuters using transit services. CVTD committed to provide 10,000 dollars of matching funds to the 100,000-dollar grant. This amount was added to expenditures under “professional fees” on the budget. Sales tax is coming in higher than initially projected. The difference in the initial projections was significant enough to update these lines in the budget. The changes are reflected in revenue under the “sales tax” and the “sales tax – additional” lines of the budget. The amounts were 208,000 dollars and 18,000 dollars respectively. Holly Broome-Hyer asked for a motion to consider adoption of the FY 2021 budget. Glen Schmidt motioned to
adopt the FY 2021 budget as presented. Abraham Verdoes seconded. No questions. Roll call vote was called. Vote unanimous.

D. Presentation of Fraud Risk Assessment – Curtis Roberts, Administration Director:
Back in March and April of this year, the state auditor’s office put out a directive to all government organizations in Utah that they needed to present a Fraud Risk Assessment to their governing body by budget time. The biggest area to earn points for fraud prevention on the score sheet is to have a segregation of duties. This helps to internally detect fraud and prevent fraud opportunities to exist. The District has this in place. The District also has most of the suggested policies, besides one for reporting fraud and abuse. The District has the education levels suggested (both a CPA and a bachelor’s in accounting on the management team). The District does not have the employees commit annually in writing to abide by a statement of ethical behavior. There is not much value in this because if someone is willing to sign the form falsely they’re also willing to commit fraud. It will be implemented if the Board directs the staff to do so. The District does not have a fraud hotline; it can be implemented if directed by the Board. The internal audit function is more for large entities; to implement one, the question becomes what functions will be neglected to accomplish this? An external auditor could help satisfy the internal audit, but there is not a lot of benefit here. The Board has helped with the score by completing their online training and having a formal audit committee. Right now, the District sits at the middle of the “Low” risk level range. The Board can determine if they want staff to drive to the “very low” level range. Jeannie Simmonds commented that Logan City didn’t get in the “very low” category because the expense of implementing to that level would be expensive.

Discussion about the Fraud Risk Assessment. The cost of setting up an email to report fraud and other ethical concerns would be low, but getting a system in place to address those concerns, and the staff time involved, is where the costs would be incurred. Currently, employees or members of the public have a few options to bring up concerns: commenting on the website, contacting the Board, contacting the General Manager, or by contacting the state auditor or the state attorney. There are multiple existing outlets; a designated hotline would be overkill for an organization of this size. There are policies in place to prevent misuse of computers and other property; they cannot be used unless certain criteria is met. Credit cards can be a large risk; however, there are very tight controls on District credit cards. The District has an internal policy that every receipt has to be submitted and explained. Curtis Roberts stated that he is comfortable with where the risk assessment is at right now, but the Board can decide if they want the District to do more. Jeannie Simmonds stated that the District definitely complies and that the Board should be pleased with where it is. Craig Wright and David Geary agreed.
E. Presentation of Monitoring Results – Gregory Shannon, PEP Committee Chair:
Once a year, the PEP Committee reviews the CEO’s performance according to the Global Ends and Executive Constraints policy. Last year was the first time that this monitoring had been done. A couple of recommendations were made for next year. No corrective actions were needed as evidence was found to be sufficient. Overall results were found to be acceptable (results are found to be acceptable or not).

F. Consideration of General Manager’s wage – Shaun Bushman, Board Member:
The CEO’s current salary is within five percent of the midpoint. With 20 years of experience, the CEO should be in the mid to upper-mid range. Charting out the numbers from the three market surveys from HRCC (from 2013, 2017, 2020) can project where the market will be for this position in the future. Averaging the COLA adjustment from a few places (Logan City, Cache Valley, and Utah State) comes in at around 1.42 percent. Doing a 1.42 percent COLA adjustment to salary would keep the CEO’s salary near the projected mid salary. Another proposal is to eliminate performance awards because they are hard to deal with. Discussion about CEO compensation. Doing away with performance awards could affect motivation. A good approach is to put the right person in the right job and pay them a fair wage; let their motivation move them forward. Merit awards would be nice to keep as an option; metrics can be objective and fair. Someone should come in every five years to evaluate where the market is to make sure everything is still correct. The CEO should be paid well and be paid above the midpoint. This would make performance awards unneeded, the CEO wouldn’t have to sit through drawn out conversations about compensation every year, and it would be more straightforward.

7. General Manager/Staff Reports:
A. Todd Beutler, CEO: Craig Wright and Todd Beutler took a moment to acknowledge Holly Broome-Hyer’s accomplishments as Board Chair and thank her for her great work. She has addressed issues that arose during her tenure and was instrumental in the grant award. Holly Broome-Hyer thanked the Board and expressed thanks to the CEO and staff for their help and thorough work.

8. Board Chair Report:
A. Holly Broome-Hyer, Board Chair: Holly Broome-Hyer passed the gavel to the next Board Chair, Craig Wright.

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