Regular Board Meeting Minutes
Cache Valley Transit District
Wednesday, October 27, 2021
5:45 pm
Logan City Hall
290 North 100 West, Logan, Utah
City Hall Conference Room

Present: Craig Wright, Patrick Jenkins, Holly Broome-Hyer, Cecelia Benson, Lieren Hansen, Shaun Bushman, Terrie Wierenga, Mary Barrus, Mike Arnold, Sue Sorenson, David Geary, Ron Bushman, Paul James, Glen Schmidt, and Abraham Verdoes

Excused: Jeff Turley, Jeannie Simmonds, Gregory Shannon, and Lyle Lundberg

Others: Todd Beutler, Curtis Roberts, and Charise VanDyke

Regular Meeting Agenda

1. Call to order: Board Chair Craig Wright

2. Pledge of Allegiance

3. Acceptance of Minutes: Craig Wright asked for a motion to approve the September minutes and a modified agenda (order of agenda items changed). Patrick Jenkins moved; Dave Geary seconded. Vote was unanimous.

4. Approval of Agenda: Craig Wright moved the approval of the agenda with the minutes. Vote was unanimous.

5. Next Board Meeting: November 17, 2021

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

Board Business

7. Board Business:
   
   A. Consideration of District health benefit renewal – Curtis Roberts, Administration Director: Recently, the District went out to bid for health insurance. It was anticipated that there would be about a 4 percent increase. The low bid provider was the same provider that the District currently uses; the increase only ended up being 2.5 percent at the same benefit package. The staff is proposing that the same benefit package be kept because there wasn’t much of a cost increase. Paul James

Approved 11/17/2021
moved to approve the benefit package; Cecelia Benson seconded. Vote unanimous.

B. Consideration of new facility budget – Todd Beutler, CEO/General Manager: The District has been working diligently to adapt to growing communities and be viable into the future. A new facility would allow the District flexibility in service delivery and adapt to growth. Staff, consultants, and a board committee (made up of Dave Geary, Gregory Shannon, and Ron Bushman) have been working through this facility project for four months. They have been guided by the goals that the Board set early on. Lars Erickson and Al Tukuafu—Construction costs have gone up since the project was first considered in 2018. In the last 24 months, costs have gone up substantially with a 7.85 percent escalation in Utah construction costs (comparable to places like Washington DC). Utah is pumping more into construction than the national average. With a project like this, the estimating process is more than just a square foot cost estimation. A team of estimators works with the design team to do a detail estimate of building costs (civil work, finishes, planning, electrical, etc.). There’s a network of vendors contacted, as well as costs being forecasted out 8 to 10 months. There are multiple steps in the estimating process before the owner budget is put together (conceptual sketch, takeoffs, detail estimate, cost control, cost summary, owner budget). They went through this process multiple times. The committee kept challenging them to look at different cost saving options, while still putting together the best facility possible. Through this process, they found a little over 5.1 million dollars in savings. Costs have been put together for two designs; both options satisfy the needs of the District for the next 25 years. Dave Geary – The consultants (builders and design team) have provided satisfactory answers throughout this process. Fifteen different concepts were examined before narrowing it down to two. Out of all of the concepts, 8B is the most efficient and easiest to manage (cost 35.8 million for a metal building and 38.8 million for an insulated concrete tilt building). Curtis Roberts – In 2010, the District bought property for a new facility. Since that point, the District has been setting aside funds, as well as working to get federal funds for the project. The District has 26 million dollars in federal grant money with the required 6.5 million dollars from the District in match (federal funding has an 80-20 match), which totals to 32.5 million. Additionally, there are other grants that the District can pursue, some additional funds in the fund balance, and the likelihood that the District can sell the current facility. Altogether, the District can use 40 million dollars towards this project without putting the District into financial difficulties. There is a deadline to use federal funds; the District is expected to be committed in the upcoming year. Discussion about the differences between the two concepts. The primary difference between the two concepts is that 8B-1 encloses everything, while 8B closes the minimum. Enclosing everything, including fuel, comes with lots of...
costs for dealing with fumes in the building. The operating costs are higher in 8B-1 versus 8B (more square footage to heat and cool). Utility costs will go up between the current facility and a new facility because of size, but there will also be savings because of the efficiencies with newer systems. The 8B concept hits a sweet spot between size and operating costs (smaller concepts than 8B had increased operating costs and larger concepts, such as 8B-1, had increased operating costs). The 40 million dollar budget includes contingencies, as well as anticipated escalation, to stay within the budget. Some building items would need to be purchased earlier to reduce construction time. Discussion about the difference between a metal building and a tilt up concrete building. The life cycle on a metal building is 25 years before the roof and panels would need to be replaced (about 3 to 4 million dollars); the life cycle on a tilt up concrete building is roughly 50 years. At year 25, the metal building becomes the more expensive building. Discussion about the steps forward. After approval, the design team can move forward with conceptual designs. The facility would be designed to necessary specifications, including seismic requirements. The estimation is 18 months from start to finish. The hope is to start building in the spring. Discussion about solar. Solar would not be included in this phase of building, but the facility can be designed to be solar ready. It could be added back in if the project is within budget. Discussion about the current facility. The current facility was built in 1998 and designed to be a 20-year facility. Discussion about the facility budget. There are indications that transit will receive funding in the infrastructure plan, but the timeline is unpredictable. The federal grants that the District has received have been managed well, which has helped in receiving additional funding. The lobbyist that the District works with is working on getting some additional funding. There would be no sales tax increase or bonding needed to build this facility. Craig Wright asked for a motion. Dave Geary moved to authorize management to spend up to 40 million dollars for this project (funding beyond this would require board authorization). Glen Schmidt seconded. Vote unanimous.

C. Southeast service alternatives update – Chelsey Hendrickson, Kimley-Horn:
Kimley-Horn was engaged to identify alternative service options for the southeast service area of the District. This process starts by reviewing relevant existing plans and studies to figure out what is happening in these communities. After this, service alternatives were developed and the public was engaged for feedback. If approved, a new service could be launched as early as fall or winter of 2022. Overall, transit planning is all about finding the right level of service for an area. Densely populated areas with more ridership need one type of service, while areas of low demand need another. The service options that were examined: fixed route, deviated fixed route (goes off route when requested), microtransit, 3rd party transportation (subsidizing uber/lyft), and demand response transportation. Of the different service options, the best for Cache Valley are fixed route and
Microtransit is flexible and effective in serving hard to meet transit needs, such as in lower density locations. Three alternatives were put out for public feedback and was done in coordination with the first mile/last mile study. Of the surveys received, 158 respondents lived within the study area (77 percent of these individuals were interested in taking transit). The options given came down to a tradeoff between resources and wait time (a larger service area, means a longer wait time). It was close to a 50-50 split between those who liked the fixed route as is and a new microtransit service (they were slightly in favor of microtransit); this means that marketing and communication will be important moving forward. Microtransit is shared transportation that uses technology to operate effectively and efficiently in areas where it is hard to meet transit needs with fixed-route services. It provides more flexibility and that first mile connection. The recommendation that Kimley-Horn is making is to implement Alternative 1. This option keeps route 11 the same and the microtransit area smaller. The reasons behind this recommendation: it focuses changes on routes that currently have the lowest performance and provides flexibility and greater coverage as these communities grow. Starting with a smaller microtransit zone also gives the District the chance to gain some experience to get it working well in a smaller area before expanding. The service would be close to cost neutral at a comparable quality. The microtransit service would stay within the marked service area during service hours; the exception would be to connect out to other service, like at the transit center. The service will be kept zero fare and can be viewed as another service delivery method that the District can provide. If the District moves forward with this service, microtransit software would need to be procured and tested, vehicles purchased, drivers trained, and marketing and communications done on the new service type. Discussion about microtransit service. Technology helps to predict the most efficient route and takes into account factors such as wheelchairs. There are multiple types of vehicles that can be used to provide this service. The staff are still examining vehicles (one will be going to a national expo to look at different type of vehicles). The palatable wait time is usually about 20 minutes; above that, people will look at other transportation options. The perception of smaller, full vehicles is better. Most of the time, ridership goes up because of the flexibility and good experience. The service is flexible; as more data is gathered, adjustments can be made to provide better service or scale to a fixed route as needed. With technology, virtual stops versus physical bus stops can be placed. A public hearing would be held before any major changes were made.

D. Presentation of FY 2022 draft budget – Curtis Roberts, Administration Director:
The estimated increase for health insurance benefit costs was 4 percent over the current premium; it actually came in at 2.5 percent. The District will see the full effect of the increase in base wages that was approved in June 2021. Staff is
proposing to add one full-time position to help with scheduling; to give some context, adding this position would free up supervisor time to train drivers, as well as focus on other areas that improve service delivery. There is also some anticipated overtime; it’s not enough to need another full time person yet. The District bid out insurance (liability, workers compensation, and bus insurance); the cost came back lower this year than the previous year (the District stayed with the current insurance provider). We anticipate that there will be a continued mask mandate in 2022; this entails an increased cost in supplies for masks on the bus. Fuel price has gone up. It is being monitored; the budgeted amount might have to be adjusted. This last year’s supply shortages have affected staff’s ability to replace computers, so a lot of them will be replaced in FY2022 (most of the computers are 6 or 7 years old). It’s anticipated that the amount spent on parts will go down, as there were four large bus replacements this last year and eight large buses being replaced next year. The parking lot is scheduled to be resealed and repainted in accordance with our transit asset management plan. Staff is proposing to allocate 10,000 in seed money to support first mile/last mile projects identified by the study currently underway. Currently, the sales tax is higher because of stimulus funds in the economy; this will likely slow the last part of this year. A 3 percent increase is anticipated for next year, this is consistent with the Governor office’s projections. For federal and state operating grants, FY2021 included one-time stimulus grants (CARES) that were required to be used quickly. In FY2022, the use of federal funds is more consistent with prior years. Other revenue will come from selling the old buses that are being replaced (8 large and 2 small). The planned capital projects: starting construction of the new facility (number is currently a placeholder), concrete replacement that is a tripping hazard (at current facility), a bike shelters project, bus replacements, ITS system (auto passenger counter, stop announcements, etc.), and a couple of contingent amounts for equipment that could break down. Discussion about the budget. The sales tax is split into two different categories—there is the original sales tax that was adopted by the community and the additional sales tax that the county passed. The microtransit numbers haven’t been included in the budget, as this service has not been approved by the board.

8. **Board Chair Report:**
   A. Nothing to report.

9. **Adjourn:** Board Chair Craig Wright adjourned the meeting.