

Minutes of the February 9, 2022 SEVT Board of Directors Meeting
Via Video February 9, 2022 at 5:00 pm

Chip Stearns called the meeting to order at 5:09 pm. Those in attendance and constituting a quorum were as follows

Board Members:

Willis “Chip” Stearns II, President
Seth Boyd
Randy Capitani
Joel Bluming
Dave Moulton
Scott Tucker

Members of the Public: None

Staff Present:

Randy Schoonmaker, CEO, SEVT,
Keith Johnson, Finance Manager, SEVT
Christine Howe, General Manager, SEVT

Invited Guests:

Ross MacDonald VTrans

Public Input: None

Amendments of the Agenda: Add to the March agenda an hour of Board training by VTrans consultant and schedule that for the beginning of the March meeting. Randy C will send an alternative that the BDCC is offering for nonprofit board trainings, in case VTrans cannot arrange for the March meeting.

Review and Accept the FY21 Audit: Chip stated there are no findings. It's a clean, single audit for the federal portion of which the threshold we clearly exceed. There is a letter that needs a signature on it, representing SEVT, presenting facts about our conditions for the auditors, and that we accept their audit and the results. **Motion 1:** Chip made a motion that the treasurer, Randy Capitani, sign that document on behalf of the board acknowledging our contributions and acceptance of the final audit. Seconded by Scott Tucker. Chip asked if anyone had questions necessarily about the audit, or the results of the audit. Keith can speak to all of it in that Keith has been involved in all of it. Randy C added we had an extensive discussion with Keith about this at the Finance Committee meeting on Thursday. This was my first meeting and getting thrown right into it with this, it was pretty eye opening to me. From what I can tell, the auditors were very happy with what the staff is doing and how they're handling finances. I think it's impressive how well it was done. Keith explained this was the most extensive audit in three years, and there were many more testing steps created by the stimulus money. **Motion passed** 5 in favor, 1 abstention. Randy C abstained since he will be the person signing the document.

Review of January 12, 2022, Minutes: No discussion

Discussion and vote on CEO's job description: Chip explained the biggest modification to the job description was at the top of the document, it states there shall be a constructive partnership between the board and its CEO. Other than that, there were no changes from the last time this was presented to the board. On the bottom, there is a place for the secretary to sign and date that it's been adopted by the board as of today. Scott Tucker moved to accept, Joel seconded. The job description was adopted unanimously. Chip directed someone to bring the description to Joel's residence for his signature.

Discussion and vote on the By Laws: The committee met a second time for approximately one and a half hours on February 2, 2022. The committee went through the email, correspondence and suggestions that came from Ross, plus what we had already done and concluded making only one change to the bylaws as they were presented to the board a month ago. And that change was in conflict of interest to include that staff members cannot have a conflict of interest. Other than that, these remain the same bylaws that had been presented before. **Motion 2:** Randy C moved to accept the bylaws as presented Chip seconded, discussion ensued. Scott mentioned to check in section six for a numbering sequence error. Chip asked Ross to speak. Ross thought we were moving in the right direction, and that SEVT had made a lot of substantive changes. The state again provided comments but haven't heard anything in the last few months. The state did ask for the board to work with us so that you would be approving a bylaw that we had reviewed and approved when we reviewed it. He would expect that somebody on that committee would have recognized that they should respond or provide the final copy for us to review and approve? But that didn't happen for whatever reason.

Chip explained the straightforward, simple answer that the board gave the committee the authority to go over and review and present bylaws. One of VTrans suggestions was adopted, which was not significant. The board had already seen the other revision. In his opinion, VTrans stamp of approval is not a requirement for our private non-profit organization. And we did take into consideration and acted on your first set. Your second set of recommendations we didn't agree with as a committee. We are presenting what the committee has adopted to present.

Ross replied that funding from VTrans to SEVT is eighty percent or more. The original bylaws were in front of this board to review and approve two months ago, and that's when we kind of stepped in and said, this looks real like removal of some oversight that should be present. VTrans then began working with you on this, we provided a lot of comments but then the communication stopped. Now the board is about to review and approve these bylaws. I would just point out that your policies and procedures need to be approved through the management review, which is ongoing and as a part of your grant application. Regardless of the vote tonight we'll review. And if we see any significant issues, we'll have to respond and let you know, as the email states.

Seth Boyd said that he was one of the committee members and I appreciate VTrans' comments. As far as this process goes, we did see the comments come back from you and VTrans in our review process. And we did, consider each one of those individually and we discussed it in our committee meeting. I viewed those as suggestions, much like feedback that we had got from board members who gave suggestions on items. And then obviously we had our local council give significant input. I think I remember on a few components, related to the open meeting law where our council suggested where we should sit and VTrans may have different recommendations. But again, I looked

at them as suggestions from another group and we did discuss those each individually. We did we did put a lot of work into this. I think the document makes sense; we cleaned some things up. That's what the bylaws review is all about. It's not my intention to sort of ramrod this through to a board without knowledge of what's here because we've reviewed it several times. We apologize if we didn't get a response back to you, but I don't think we responded to the local council either on each of the comments. Maybe next time we'll do that better.

Ross stated he thought that was kind of the process, that your role and my role and the council's role is all the same, which is to ensure that we have the best organization with the most reasonable oversight possible. And so that three hundred thousand I'd be curious why three hundred thousand is better than thirty thousand. There could have been a thought to invite VTrans to the committee meeting. I don't think that there's a lot here, but I do think that we need to take a step back and ensure that VTrans can approve these bylaws. If we don't approve your bylaws by the time we get through the applications, then we can't make the awards. I have counsel telling me that would just make open meeting law part of the grant agreement. Things like ensure that, SEVT is posting meetings on the website and at the RNC sites at least four days in advance or making sure minutes are posted within 48 hours but, we didn't have that conversation. Those are just examples. We will have to go through a bit more, as well as the fact that you are missing board members.

Seth asked is VTrans approval of our bylaws required.

Ross explained to receive funding your policies and your applications have to be approved. We don't approve your bylaws, then you would not receive funding.

Seth asked if that was a standard practice with other transportation organizations.

Ross explained VTrans asks for your policies and procedures and cost allocations and service plans and changes through your capital plans, all with your annual application and then during the management review we ask for, and Keith can tell you seventy-five, to one hundred and ten documents and one of those are the bylaws. And considering that we should be acting as partners in the use and activities with federal and state funds. It's our responsibility. VTrans as a good faith partner and somebody who you wanted to work with, then you would have just responded to us. I just feel like it was dismissed and discounted, and we do have a role to play.

Randy Capitani brought up a couple of points. We did discuss things like posting with the RPC on their websites, and we felt that there was nothing wrong with that practice, that it just didn't need to be included in the bylaws. That seems more like a policy that should be outside of the bylaws. Sorry if we didn't get back to you or if you didn't feel included, that was never the intent. You know, we're volunteers. It took us long enough just to find time to get together to do this. And I guess honestly, we didn't really realize you guys wanted to sit in on our subcommittee meeting, and maybe that would have expedited it. Maybe that would solve some of these problems. And for that, I apologize. But that was there was never anything malicious intended in any of this. We were trying to get to a point that everything seemed agreeable to us and that we could present to the board. point for you, obviously. But we just felt from experience over the last six months that that was a number that worked. And so that was our intent.

Ross said thank you, Randy. I appreciate that. Ross gave an example of why VTrans chose a thirty thousand contract amount, which is above and beyond what is already budgeted. You know, there's

an iterative process where people ask questions and are trying to work with you on a document. I will point out that this document is far improved from the original one. Someone, and I don't know who had said, these are arcane, and we shouldn't have to have all these bylaws. I thought we were helping, and these bylaws are stronger than they were two months ago. But to cut off that help, at the same time, dismissing some of this stuff seems unnecessary. I appreciate the comments so far. And by the end of this week or beginning of next week I would like to have somebody to speak with. I guess the recommendation is take a step back, spend a week to allow us to go through this. If we arrive at the document that we've signed off on that SEVT can approve and the box is checked when it comes time for the applications.

Randy C said that honestly, as a volunteer, I don't want to spend a lot more time on this. We feel we had a pretty viable document. I don't think I understood the implications that you just laid out for us. Does that make me want to rethink some of it? Possibly, but we discussed these pretty much at length. The other point you just made about having a discussion with the CEO, we just approved the job description for Randy to talk about excellence in board and management. And that two-way communication was put at the top paragraph.

Chip stated that SEVT is an independent nonprofit board and that we all put hours in some more than others. It just floors me that based on emails and telephone conversations you appear to be threatening this volunteer board with funding. And it really appears in my mind that you are on a personal level on this as opposed to a professional level on this. I see no reason why this board can't adopt these guidelines, these bylaws. Should you find something that legally is wrong with this set of bylaws, then we can adopt an adjusted set of bylaws. But most certainly, I don't believe one iota that every transportation company that's out there, seven of them, have exactly everything in order, including open meeting law. We took your first advice. We made significant changes. You acknowledge that we took your second set and the committee itself addressed them. And then trying to get us to where we can move forward with nine board members and a process of filling slots, in what seems to be weighing very heavy on your process. Is email and voicemail communications that I've had with individuals that you have clearly referenced. And you clearly want to make it a public record, and you might be required to do so. If you've got more questions on these bylaws, ask them today. If you've got legal issues, then address them to me via email in writing and what it is. But this rabbit hole needs to end and this board needs to move on to conduct business. And if there's any other board members who don't agree with that, please speak up.

Seth asked how SEVT can move on. There is a motion on the floor I guess I see it, going two ways. One, the board says, OK, we think we're pretty much there and they approve the bylaws. Then Ross, you give feedback that says, as a legal matter or a matter from the state, we can't work with these two, three or four or five items. Or the board decides tonight we're not ready and we have to say go back to the drawing board, but then we maybe have an additional conversation about what to do next. But I do think that as for the conversation for tonight we get which points of each side have been presented. I just suggest that we move forward with the vote and see where it goes. And if we need to pedal backwards a little bit, we can do that. Chip asked Seth if he was calling the motion to question. Scott asked to be heard first and asked for a friendly amendment to table this for tonight and give the state additional time to review these bylaws, so it does not affect funding. Dave seconded the amendment to table the matter and added it seems the relationship with the state is critical, and I agree with Scott and we do not want to hurt our relationship with the state. No additional comments on tabling the matter. Chip called to question the motion to table the matter.

Motion 3: Table the passing of the bylaws until VTrans has had time to discuss with SEVT 3-1 Chip noted that is not a majority of the board that voted that is present at this meeting.

Motion 4: To adopt the bylaws with the minor change in the numbering of article 6, as of tonight. 5 yes, 1 abstention at the bottom of the bylaws there is a sentence that says unanimous vote. Chip asked to make sure that is changed to read 5 in favor, 1 abstention. The bylaws can be revisited.

Motion 5: Scott states authorizing the board president to work with council and the CEO on a three-year contract to be brought to the March 20 22 board of directors meeting for consideration, seconded by Randy.

Randy's present contract requires a 90-day notice if he's not going to be renewed, that 90 days would land on April 1st. This board is meeting in March for one meeting our opportunity to extend our offer a contract is going to run out of time. It is necessary action. If we are going to take that action to negotiate that, we do it in advance. That's the reason this is on the agenda is to authorize me, Chip, to negotiate a contract through council and bring it to the March meeting. This is not extending a contract. This is the right to negotiate. Any questions? Hearing those in favor of the motion signify by saying I. **Chip is abstaining, 5 in favor,** motion passes.

Chip already has the contact information for Bob Fisher, and because of this vote, will be reaching out to him tomorrow because I know Thursdays he meets in Wilmington

Noted by Randy and Chip at the March 9th board meeting Tim Bradshaw would like to schedule board training, as the first item of the meeting. Other agenda items for March 9, 2022, include Randy's contract for consideration.

Vote on Vehicle Procurement: Randy explained the difficulty in ordering and obtaining vehicles, and we have no spares. Our business is directly related to getting vehicles that used to take four months to taking anywhere up to a year and a half or more to receive. Randy presented the proposal that is in the board packet. SEVT can do a procurement in advance of the award letter without authorization to purchase. **Motion 6: Randy C motioned to go through the procurement process without authorization of purchase. Dave seconded. Ross explained there are delivery issues everywhere. Motion passes 6-0**

Motion 7: Motion to adjourn by Joel, seconded by Chip adjourned 6:24 pm.

Submitted by: Christine Howe, General Manager