

**CRT and DVTA Joint Board of Directors Meeting**  
**August 27, 2014 Meeting Minutes**  
**706 Rockingham Road, Rockingham, Vermont**

Present: Susie Haughwout, Don Albano, Mark Wallace, Ted Reeves, Joyce Lemire, Matt Mann, Tom Marsh, Bob Forguites, Chip Stearns, Ross MacDonald, Geoff Slater, Esther Jung, Katharine Otto

Ted convened CRT meeting at 3:02 PM

Susie convened DVTA meeting at 3:02 PM

Susie provided a handout on behalf of Randy Schoonmaker which proposes for a merger plan supporting a parent-subsidary relationship. Under this plan, one of the two existing companies becomes the parent and the other one becomes the subsidiary.

Ted suggested that on behalf of CRT, he will ask CRT's attorney to discuss about the proposed plan and take it to the CRT Board meeting. Susie suggested that two presidents of each Board to work with attorneys to provide details to the proposed framework for the next joint meeting.

Katherine Otto of Southern Windsor County Regional Planning Commission raised a concern as a public member about the importance of having transparency with the merger process. She found out about the merger through the information posted on the agencies' websites and suggested that meeting notice should be notified online as well as offline. Ted responded that, based on discussion with the attorney, CRT and DVTA are not legally bounded to the open meeting law. Both agencies were concerned that disclosing the merger process during the premature stage would possibly stir up speculations. The consensus to inform about the merger was made in the last meeting held in August 1, 2014, which was warned beforehand. Two agencies are putting a lot of efforts to be as transparent as possible.

Geoff led the discussion about the Implementation Plan, outlining steps to implement the merger. Ted and Susie as presidents of CRT and DVTA Boards will play majority of the leading roles for many of outlined tasks, but they are open to share the work with other members of the Board. The plan mostly reflects discussion of the last joint Board meeting. Changes to the interim phase of merged organization will be made if both agencies proceed with a parent-subsidary format discussed in the first part of the meeting. With a proposed plan, there is no need to create new 501(c)(3) in the future as the existing 501(c)(3) supersedes it. Again, with parent-subsidary format, only one company needs to transfer their assets to the new organization. Joyce reconfirmed that it is important for CRT to discuss with their attorney first about the proposed merger

format through the eyes of CRT. Once CRT and DVTA both agree with the merger format, Ted and Susie will discuss privately to decide which company becomes the parent company. Susie pointed out that it is acceptable for attorneys from two boards to communicate with each other for the efficiency of the process. Question about number of boards during the interim phase was raised but it is unclear until they parcel out the details later. The board in the subsidiary company will be dissolved into a single board once two agencies are fully merged in July 1, 2015.

DVTA and CRT both agree with 8-member board composition. Susie notified that DVTA is currently looking for new member to replace Linda and to serve as the alternate member.

Geoff discussed about the list of implementation issues brought up by the Board members. Some questions were documented with answers and some were responded with suggestions as a consultant's view.

- Answers to questions about the format of the new Board are mostly up to the current board members to decide. Geoff suggested drafting Bylaws for interim process and adopting new set of Bylaws once merged in July 2015.
- Ted pointed out the importance of keeping identities as the Current/MOOver. Two divisions under the names of geography may be used for internal designation.
- Deciding on new company location and new meeting place should be added to the list of administrative tasks for merger.
- As to question about creating a new charter, Geoff suggested to start a legal document based on existing charter and make appropriate revision.
- With respect to determining whether there are any FTA issues related to the Rockingham facility, the best starting point would be to ask FTA directly. In nearly all cases, as long as facilities funded continue to be used for their intended purposes, there are no issues related to their transfer. Regarding the ownership under Town of Rockingham, Chip pointed out that the facility will become a taxable property if Rockingham disowns it. Susie mentioned that DVTA facility is a non-taxable property under the criteria as a transit company. Susie will review further about the tax law and share the information with CRT.
- Both CRT and DVTA currently have lines-of-credit, and so there is no reason for the merged agency to not to get the lines-of-credit.
- Under the Affordable Care Act, employers with more than 50 employees will be required to provide healthcare coverage. Merged agency would be subject to the "Employer Mandate" provision of ACA that will take effect in 2016. The agency is also under the subject to Vermont healthcare mandate. CRT already covers healthcare while DVTA does not.
- The Current and MOOver logos may stay but company names on the logos should be replaced to SVT.

The Board members discussed about the new Bylaws, which was drafted for the fully merged organization. Bob highlighted grammatical errors, redundancies and misinterpreted points in the document. In regards to member appointment, current Board will choose four members from each agency to serve as Board members of the new Board, and the chosen eight members will appoint successors through the Nominating Committee. It is advised to start the appointment requirements under broader definitions and make revisions during the interim phase.

Ted proposed CRT and DVTA to exchange revisions on the Bylaws draft before the next meeting. He will also distribute the new Bylaws at the next CRT Board meeting.

Major task before the next meeting for CRT is to discuss with their attorney about the proposed format for interim agency. Based on the decision, it is expected to find minor changes to the implementation plan. Geoff recommended drafting Bylaws for the interim organization. Ted also insisted that drafting Bylaws will be the most critical part of the remaining merger process.

New organization needs to be prepared for new grant application by its deadline in April. The start of new organization may be delayed to December, but two boards agreed to keep the October date for now.

Tentative schedule for next joint meeting is September 19, 2014 at Mt. Snow, Vermont. Doodle poll will be sent out to the members to confirm the final date of the meeting.