

Estuary Transit District
Board Operations Policies
May 10, 2023

Attendance Policy

Directors are expected to attend all meetings of the full Board and committees to which they have been appointed. If a Director fails to attend two or more consecutive regular board meetings, the Transit District shall notify that Director's CEO in writing with a copy to the Director concerning their continued absences.

Committees Policy

Standing committees of the Board of Directors include:

1. Finance Committee: Chaired by the Treasurer and other Directors appointed by the Board Chair. The Finance Committee reviews the proposed annual operating and capital budgets for the Transit District and submits a recommendation to the full Board of Directors to adopt the annual budgets. The Committee monitors budget adherence during the fiscal year, oversees preparation of financial statements by Transit District staff, receives the external auditors' annual report, and performs such other responsibilities as are normally considered parts of the financial operation of the Transit District. The Director of Finance and other staff may be called upon as resources for the Finance Committee.
2. Legislative Committee: Consists of Directors appointed by the Board Chair. The Legislative Committee develops and maintains relationships with Federal, State, and local officials to inform them of the Transit District's activities and issues, enlists support for Transit District concerns, and ensures that the interests of the Transit District are communicated effectively to elected officials and agency personnel. In addition, the Legislative Committee stays abreast of pending legislation at the Federal, State, and local levels that may affect public transit generally and Estuary Transit District in particular, and reports on pending legislation to the full Board of Directors at their regular or special meetings as appropriate.
3. Human Resources Committee: Consists of Directors appointed by the Board Chair. The Human Resources Committee addresses labor issues, wages and benefits for Transit District employees, retirement and incentive programs, updating of employee job descriptions and employee compensation, and oversees the employee Problem Resolution Policy and other personnel policies. The committee chair reports on human resources issues and recommendations to the full Board of Directors at their regular or

special meetings as appropriate. The HR/Payroll Manager and other staff may be called upon as resources for the Human Resources Committee.

4. Nominating Committee: Consists of Directors appointed by the Board Chair. The Nominating Committee prepares the slate of officers (Chair, Vice Chair, Secretary, and Treasurer) for recommendation to the full Board of Directors at the annual meeting. The Nominating Committee shall consider proposed candidates' expertise and willingness to serve in preparing the slate. The Nominating Committee will also act in the event an Officer position becomes vacant prior to the next election of Officers.
5. Transit Advisory Committee: Consists of Directors, cognizant Transit District staff, and representatives of the transit riding public appointed by the Board Chair. The Transit Advisory Committee receives and transmits to the full Board comments and input from transit users and the general public concerning the quality, safety, accessibility, convenience of Transit District services and public outreach efforts (including connectivity with other transit operations in Connecticut). The Transit Advisory Committee will review and comment on proposed service changes (including new services and the modification of existing services) to the full Board of Directors at their regular or special meetings as appropriate.
6. Marketing Committee: Consists of Directors appointed by the Board Chair. The Marketing Committee develops, reviews, and recommends to the full Board of Directors at their regular or special meetings as appropriate programs, materials, and other communications media (including website, publications, news releases, etc.) with the objective of increasing public understanding of Transit District services, enhancing the Transit District's public image, and encouraging residents in the Transit District service area to use transit.

As provided in the By-Laws, the Board of Directors may establish special and ad hoc committees in addition to the standing committees as deemed necessary.

All Board members are expected to serve on one or more standing committees. However, as per the By-Laws, a majority of Board members shall not be appointed to a given committee at any one time.

Committee members are appointed by the Board Chair who will submit appointments to the full Board of Directors for approval.

The Board Chair may replace a Director who fails to attend two or more consecutive committee meetings.

The Board Chair may not appoint himself/herself to the Nominating Committee, but may appoint himself/herself to other committees. If not appointed to a committee, the Board Chair

serves as non-voting ex officio on that committee, but his/her attendance does not count towards a quorum for committee meetings.

The Board Chair may appoint an alternate or alternates to committees for the purpose of attending meetings and filling in for absent members. However, alternates do not count towards a quorum at committee meetings and do not vote as committee members, unless filling in for an absent member.

Committees may invite Transit District staff or others from outside the Transit District to participate in meetings as appropriate.

Meetings Policy

The schedule of regular Board of Directors' meetings will be announced and filed each year with the Office of the Secretary of State in accordance with Connecticut General Statute 14 Sec 1-225 b as of January 1, including the dates, times, and location of the meetings. The announcement will be posted on the ETD website, and a copy will be filed with the Clerk of each member municipality. The agenda for each meeting will be posted on the ETD website and furnished to each Director via email at least 48 hours in advance. Changes to the announced schedule of meetings shall require at least 30 days' notice to be posted on the ETD website and filed with the Clerk of each member municipality.

Committee meetings will be held at the call of the Committee Chair. Notice of the date, time, location, and agenda for committee meetings will be posted on the ETD website and furnished to each Committee member via email at least 24 hours in advance of the meeting.

Roberts Rules of Order will govern the parliamentary procedures at Board of Directors and Committee meetings.

Directors who expect to be absent from a Board or committee meeting should notify the Chair or Committee Chair in advance if possible.

Directors may attend regular Board meetings electronically, but must notify the Chair or Executive Director in advance so appropriate arrangements can be made. This same policy shall apply to members who need to attend a committee meeting electronically.

The Meetings Policy outlined above is intended to conform to State Freedom of Information statutes and requirements.

Conflict of Interest Policy

Directors, the Executive Director, and other key management staff who participate in decision-making for the Transit District have a duty to be free from the influence of personal considerations when conducting Transit District business. Such individuals' positions must never be used directly or indirectly for private gain or personal interest, or to cause the Transit District to violate applicable Federal or State laws and regulations. Such individuals shall, in all instances, avoid any action or participation that represents, or could be reasonably construed as representing, a conflict of interest.

For the purpose of this policy, "decision-making" shall include, but is not necessarily limited to, purchases and procurements, awarding of contracts, selection of contractors and agents, and other transactions that financially benefit an entity outside the Transit District.

Directors, the Executive Director, and other key management staff who participate in decision-making for the Transit District shall annually complete a Conflict of Interest Statement (see below) disclosing all potential conflicts involving sources of income or business connections (both for themselves personally and immediate family members) outside the Transit District. The Statement shall also formally commit signatories to disclose to the Board of Directors any potential conflicts of interest that may arise in the course of their service to the Transit District and to abstain from participating in any decision-making that would represent, or could reasonably be construed as representing, a conflict of interest.

Signatories must promptly inform the Board in writing of any material change in the information provided in their Conflict of Interest Statement.

The Secretary will ensure that Conflict of Interest Statements have been completed by all required individuals and will ensure that the statements are maintained in a secure location.

ESTUARY TRANSIT DISTRICT

DIRECTOR'S CONFLICT OF INTEREST DISCLOSURE FORM

Name: _____

Please list below entities in which you are employed, in which you have a principal ownership position, or in which you and/or members of your immediate family could benefit financially as a result of such entity doing business with Estuary Transit District.

1. _____
2. _____
3. _____
4. _____
5. _____

Please append additional listings if necessary.

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

I have reviewed, and agree to abide by, the Conflict of Interest Policy of the Estuary Transit District.

I agree to disclose to the Board of Directors any potential conflicts of interest that may arise in the course of my service to the Transit District, and to abstain from participating in any decision-making that would represent, or could reasonably be construed as representing, a conflict of interest.

I agree to promptly submit an amended Conflict of Interest Disclosure form in the event of any material change in the information provided above.

Signature: _____

Date: _____

Indemnification Policy

ETD will indemnify any Officer or Director who is or was a party, or is threatened to be made a party, to any proceeding by reason of the fact that such person is or was a Director or Officer of ETD, against expenses (including attorneys' fees), liability, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if such person (a) conducted himself/herself in good faith, (b) reasonably believed, in the case of conduct in his or her official capacity with ETD that his or her conduct was in the best interest of ETD, and, in all other cases, that his or her conduct was at least not opposed to the best interest of ETD, and (c) with respect to any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

However, no person shall be entitled to indemnification under this policy either (a) in connection with a proceeding brought by or in the right of ETD in which the Officer or Director was adjudged liable to ETD, (b) in connection with any other proceeding charging improper personal benefit to the director or officer, whether or not involving action in his or her official capacity, in which he or she is ultimately adjudged liable on the basis that he or she improperly received personal benefit, or (c) in connection with any other proceeding charging actions judged unlawful or in violation of Federal, State, local, or Board standards.

Indemnification under this policy in connection with a proceeding brought by or in the right of ETD, shall be limited to reasonable expenses incurred in connection with the proceeding. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith or otherwise failed to meet the standard of conduct set forth in this policy.

Any indemnification under this policy shall be made by ETD only as authorized in each specific case upon a determination that indemnification of the Officer or Director is permissible under the circumstances because such person met the applicable standard of conduct. Such determination shall be made (a) by a majority vote of a quorum of disinterested Directors who at the time of the vote are not, were not, and are not threatened to be made parties to the proceeding, or (b) If such quorum cannot be obtained, by the vote of a majority of the members of a committee of the Board designated by the Board, which committee shall consist of two or more Directors who are not parties to the proceeding (Directors who are parties to the proceeding may participate in the designation of Directors to serve on such committee), or (c) If such a quorum of the Board cannot be obtained or such a committee cannot be established, or even if a quorum is obtained or such a committee is so designated, but such quorum or committee so directs, then by independent legal counsel selected by the Board in accordance with the above procedures.

Authorization of indemnification and evaluation as to the reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that, if the determination that indemnification is permissible is made by independent legal

counsel, authorization of indemnification and evaluation of legal expenses shall be made by the body that selected such counsel.

For purposes of this policy, the terms “Officer” or “Director” shall include any person who served as an Officer or Director of ETD as provided in the By-Laws of the Transit District. The terms shall also include the estate or personal representative of an Officer or Director, unless the context otherwise requires.

For purposes of this policy, the term “proceeding” shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

For purposes of this policy, the term “party” includes any individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.

For purposes of this policy, the term “liability” shall mean any obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employment benefit plan), or reasonable expense incurred with respect to a proceeding.

For purposes of this policy, the phrase “official capacity” shall mean while serving or engaging in activities as an Officer or Director of ETE and acting on behalf of ETD in such capacity.

This policy shall also apply to include the Executive Director and other employees of the Transit District.

The Executive Director shall ensure that insurance coverages are procured and maintained on behalf of the Transit District consistent with this policy. The Board of Directors will annually approve the amounts and purchase of such coverages, and the Executive Director will report annually to the Executive Committee of the Board of Directors listing all such coverages that are in place.

Expense Reimbursement Policy

Officers and Directors receive no compensation from the Transit District for their time spent performing their duties and responsibilities as Officers and Directors.

Officers and Directors do not receive reimbursement for personal vehicle mileage, home office equipment and supplies (including, but not limited to, telephone, computer, wi-fi, printer, etc.), or other incidental expenses incurred in their preparation for and attendance at Board and committee meetings and other in-state meetings and events in connection with their service. Officers and Directors who use their personal vehicle for travel related to Transit District

business are responsible for any liability arising from such use and to maintain insurance as required by State statute.

Officers and Directors may receive reimbursement for out-of-state travel on Transit District business (for example, to attend a regional transit association meeting or observe new technology in use at another transit system), subject to the following conditions:

- A. Travel must be approved in advance by the Board of Directors, including the purpose of the travel and an itemized estimated cost (including if applicable, but not limited to, airfare, mileage, parking, taxi, hotel, meals, registration, and incidentals).
- B. Personal vehicle mileage will be reimbursed at the rate currently approved by the Internal Revenue Service.
- C. Air travel (economy class only) will be approved only for travel over 200 one-way miles that is not reasonably and more economically made via train, bus, or automobile.
- D. Upon completion of travel, the individual(s) will submit an itemized expense report along with receipts to the Director of Finance to review. Expenses within the estimated cost previously approved by the Board of Directors will be reimbursed to the traveler. Expenses which exceed the approved estimated cost must be submitted to and approved by the Board of Directors before reimbursement is made.

Exceptions to this policy may be approved on a case-by-case basis by the Board of Directors – for example, reimbursing the cost of registration to attend a statewide transit association meeting.

Definition of “Major Service Change” Policy

ETD is committed to fully comply with Title VI of the Civil Rights Act and implementing guidelines and requirements issued by the Federal Transit Administration. In compliance with FTA Circular 4702.1B, ETD has adopted a Title VI Program which, among other provisions, addresses the requirement to analyze disparate impacts on minority communities and disproportionate burdens on low-income communities resulting from “major service changes,” and to analyze options to mitigate such impacts.

The ETD Board of Directors has adopted the following definition of “major services changes” for the purpose of Title VI compliance:

1. Discontinuation of existing fixed-route service to any part of the ETD service area, including elimination of an existing route or route segment and/or replacement of fixed-route service with demand-response service.
2. Replacement of public demand-response service in an area with a fixed-route.

3. Discontinuing service on weekend days and/or holidays, even if such discontinuation does not exceed the 10% threshold in Item #7 below.
4. Implementation of a new route.
5. Systemwide service reduction or increase involving 10% or more of total route miles or service hours.
6. Reducing the span of service on any route (i.e., eliminating first and/or last trips).
7. Reducing the revenue miles and/or hours of service on any route by 15% or more.

Investment Policy

Purpose

The purpose of this policy is to set forth the investment objectives and guidelines for the management of funds of the Estuary Transit District. This policy is intended to:

1. Safeguard funds of the Transit District;
2. Ensure that operating and capital funds are available when needed;
3. Ensure compliance with applicable Connecticut statutes and generally accepted accounting and investment standards; and
4. Provide a reasonable return on investments in light of statutory restrictions.

Scope

In accordance with accounting standards, financial reporting guidelines, and Connecticut statutes, this investment policy applies to all cash and investments of the Transit District. The Treasurer shall have the care and custody, and be responsible for, the funds and securities of the Transit District, subject to the direction of the Board of Directors. This includes, but is not necessarily limited to, operating and capital funds received from the Connecticut Department of Transportation, contributions from member municipalities, passenger fare revenue, auxiliary transportation revenue, and grants from other agencies. In the event any future revenues have statutory requirements that conflict with this policy, such statutory requirements shall prevail.

Relevant Statutory Provisions

Investments of the Transit District shall conform at all times with the requirements of Connecticut General Statutes sections 7-400, 4-402, 36a-332, and 36a-336. These statutes are herein incorporated by reference.

Investment Objectives

The primary objectives of the Transit District investment policy shall be, in priority order, as follows:

1. Safety of Principal. The foremost objective of this investment policy is to ensure the safety of principal funds entrusted to the Transit District. Investment transactions shall be undertaken in a manner that gives the highest priority to the preservation of capital in the overall portfolio. This is achieved by the following:
 - a. Minimizing custodial credit risk. Investments and deposits shall only be made with authorized investment institutions and dealers so as to minimize the risk of loss due to failure of such depositories, security issues, or backers.
 - b. Diversifying the Investment Portfolio. Investments and deposits shall be made so as to minimize the risk of loss from any one institution or type of security issuer.
 - c. Minimizing rate risk. Investments shall be made so as to minimize the risk that the market value of securities in the portfolio will fall due to change in market interest rates. This is accomplished by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Transit District's cash requirements.
2. Liquidity. The Transit District's investment portfolio shall remain sufficiently liquid to enable the Transit District to meet all operating requirements that might be reasonably anticipated.
3. Yield/Return on Investments. The Transit District's investment portfolio shall be designed with the objective of attaining a reasonable rate of return, taking into account the applicable risk constraints and liquidity needs. It is understood that return on investment is of secondary importance when compared to the safety and liquidity objectives described above.

Management of Investments; Role of the Treasurer

The Treasurer shall have the care and custody, and be responsible for, the funds and securities of the Transit District, subject to the direction of the Board of Directors. Along with the Executive Director, the Treasurer shall receive all funds and sign, make, and endorse in the name of the Transit District, all drafts, warrants, and orders for the payment of money, and pay

out and dispose of same and receive receipt therefore, under the direction of the Chair and the Board of Directors. The Treasurer shall make a full and complete financial report whenever requested by the Board of Directors.

Pursuant to the By-Laws of the Estuary Transit District, the Treasurer is responsible for overseeing the management of Transit District investments and accounts by staff. The Treasurer shall be responsible for overseeing the transfer of appropriate funds to effect investment transactions and for the investment of operating funds and bond proceeds consistent with this policy and as directed by the Board of Directors. The Treasurer shall also be responsible for designating depositories as authorized by the above-referenced Connecticut General Statutes.

Standards of Prudence

Investment decisions on behalf of the Transit District shall apply the “Prudent Person” standard. The Prudent Person standard states: “Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.”

Ethics and Conflict of Interest

The Transit District Treasurer, and all other officers and employees involved in the handling and management of funds and investments, shall strictly adhere to the Transit District’s Conflict of Interest Policy.

Authorized Investment Institutions and Dealers

Only institutions and dealers listed in the above-referenced Connecticut General Statutes shall be utilized by the Transit District as depositories for its funds.

All brokers, dealers, and other financial institutions approved by the Transit District shall be provided with current copies of the current policy and shall acknowledge in writing their receipt of same.

Competitive Selection of Investment Instruments

The Transit District shall obtain bids or proposals from at least two (2) brokers or financial institutions on all purchases of investment instruments. Overnight sweep investment instruments shall not be subject to this section.

Policy Adoption and Review

This investment policy shall be adopted by resolution of the Transit District's Board of Directors. The investment policy shall be reviewed periodically or as needed, and any revisions or updates shall be adopted by the Board. Conformance of investments to this policy shall be included in the annual fiscal audit for Estuary Transit District.

Qualified Public Depository for Transit District Cash Assets

All deposits will be made to qualified public depositories, consistent with the above-referenced Connecticut General Statutes.

Executive Session Policy

Purpose

The purpose of an “Executive Session” (collectively, “Executive Sessions”) is to provide an opportunity for Estuary Transit District’s board of directors (the “Board” and collectively “Board members”) to discuss sensitive or confidential matters without the presence of non-Board Members or guests.

Procedure

Executive Sessions may be held upon two-thirds vote of the Board members present, and voting shall be taken at a public meeting for the purpose of matters prescribed in Section III below. The motion to go into Executive Session shall identify the persons, in addition to the Board, who shall be invited to attend the Executive Session. Any non-Board Members or guests in attendance shall be asked to leave the meeting room during the Executive Session. However, if any non-Board Members or guests are invited to the Executive Session to testify or give an opinion, they may attend the Executive Session portion of a public meeting limited to the time such persons are providing testimony or opinion.

The Executive Session shall be limited to the specific matters identified in the agenda for discussion and shall not be used for general or social conversation. The Board’s agenda shall fairly apprise and put the public on notice of the specificity for such Executive Session, as in compliance with the Connecticut Freedom of Information Commission (“FOIC”).

Matters to be Discussed at Executive Sessions

Pursuant to Conn. Gen. Statute. Section 1-231, an Executive Session may not be convened to receive or discuss oral communications that would otherwise be privileged by the attorney-client relationship if the agency were a nongovernmental entity, unless the Executive Session is for one or more of the following reasons:

- (a) Discussion concerning the appointment, employment, performance, evaluation, health or dismissal of a public officer or employee, provided that such individual may require that discussion be held at an open meeting;
- (b) Strategy and negotiations with respect to pending claims or pending litigation to which the public agency or a member thereof, because of the member's conduct as a member of such agency, is a party until such litigation or claim has been finally adjudicated or otherwise settled;
- (c) Matters concerning security strategy or the deployment of security personnel, or devices affecting public security;

- (d) Discussion of the selection of a site or the lease, sale or purchase of real estate by the state or a political subdivision of the state when publicity regarding such site, lease, sale, purchase or construction would adversely impact the price of such site, lease, sale, purchase or construction until such time as all of the property has been acquired or all proceedings or transactions concerning same have been terminated or abandoned; and
- (e) Discussion of any matter which would result in the disclosure of public records or the confidential information contained therein described in Conn. Gen. Statute Section 1-210 subsection (b),¹ including but not limited to, records, reports, statements of strategy or negotiations with respect to collective bargaining negotiations.²

Meeting Minutes/Paperwork

The Board shall take meeting minutes at all Executive Sessions. The meeting minutes shall disclose all persons who are in attendance and shall state the purpose of the Executive Session, as in compliance with the FOIC. Specifically, the meeting minutes shall only reflect the general topics discussed and any actions taken, without disclosing confidential or sensitive information. All meeting minutes of the Executive Session shall be kept and maintained separate from the Board's regular meeting minutes.

The Board agrees and understands that consistent distribution of Executive Session and non-Executive Session documentation should always be followed, regardless of how the documentation is delivered, be it paper or electronic format.

Confidentiality

Board members attending Executive Sessions are expected to maintain strict confidentiality regarding the topics and matters discussed during the Executive Session. Any breach of confidentiality may result in disciplinary action, up to and including removal from the Board.

¹ Conn. Gen. Statute Section 1-200(6)

² Conn. Gen. Statute Section 1-210(b)(9)

This policy outlines the procedures for holding Executive Sessions, including the reasons for holding them, who may be present, and how confidentiality will be maintained. By adopting this policy, the Board can ensure that sensitive or confidential matters are discussed in an appropriate and effective manner, while protecting the privacy and interests of the organization.

APPROVED AND ADOPTED ON _____, 2023, BY:

Name
Title:

Name
Title:

Name
Title: