

# MINUTES OF DIRECTORS MEETING

## LANE TRANSIT DISTRICT

### REGULAR BOARD MEETING

Wednesday, November 15, 2017

Pursuant to notice given to *The Register-Guard* for publication on November 8, 2017, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular board meeting on Wednesday, November 15, 2017, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, President  
Don Nordin, Treasurer  
Kate Reid  
Carl Yeh  
Steven Yett  
A.J. Jackson, General Manager  
Kristen Denmark, General Counsel  
Camille Gandolfi, Clerk of the Board  
Lynn Taylor, Minutes Recorder

Absent: Gary Gillespie, Vice President  
Ed Necker, Secretary

**CALL TO ORDER/ROLL CALL:** Mr. Wildish convened the meeting and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT:** Mr. Wildish said the departures of Mr. Gillespie and Mr. Necker in December at the end of their terms on the Board would require the Board to elect a vice president and secretary to fill those terms for the period January 1-June 30, 2018.

**COMMENTS FROM THE GENERAL MANAGER:** Ms. Jackson reported that LTD's Stuff the Bus event was a major success, with 3,200 pounds of food donated. She also announced that April Wick had been appointed to fill the Subdistrict 5 Board vacancy and would join the Board at its January 2018 meeting.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA:** There were no announcements or agenda additions.

**BOARD CALENDARS:** Ms. Jackson said the online calendar had been updated and debugged. She reviewed upcoming events in November and December. Ms. Gandolfi noted that the calendar application had been modified to allow Board members to add events to the calendar themselves.

**EMPLOYEE OF THE MONTH – NOVEMBER:** The Board recognized Customer Service Representative Rachael Kirkelie as the December 2017 Employee of the Month. Ms. Kirkelie was unable to attend the meeting.

**AUDIENCE PARTICIPATION:** Mr. Wildish explained the process for providing testimony to the Board.

**Ken Rivernider**, Eugene, spoke to the Board regarding transit service between Eugene and Florence. He said he had also spoken a number of times to the LaneACT (Area Commission on Transportation) about how a Eugene/Florence route would meet the needs of many people in both communities. A regularly scheduled, affordable bus service would improve the quality of life for many underserved populations for whom accessibility was of great importance. He said that he had lived in Eugene for more than 30 years and could count on one hand the number of times he had been to Florence. He said that would change if there was affordable transportation available. He said a representative from the Oregon Department of Transportation (ODOT), speaking at a LaneACT meeting, mentioned the need for regularly scheduled bus service between Eugene and Florence. He said the question had always been how to pay for that service and the new State Transportation Improvement Program (STIP) funds could be a source of funding and he hoped LTD and ODOT could partner to make that happen.

**Rob Zako**, Eugene, representing Better Eugene-Springfield Transportation (BEST), said that he was pleased that a consultant for LTD's comprehensive operations analysis (COA) would be selected at the Board's next meeting. He said the City of Eugene was considering allowing Lyft and Uber to operate in the city. He said those ride hailing services could be seen as competition for transit agencies, but BEST and LTD operated in the public interest to make sure people got to where they needed to go in the most cost effective way. He said Lyft and Uber should be embraced and suggested the Strategic Planning Committee (SPC) could be asked to consider how to collaborate. He announced that BEST was hosting a public forum to discuss future plans on December 11, 2017, and invited everyone to attend.

**PUBLIC HEARING: 2018 WINTER SERVICE CHANGES:** Director of Planning and Development Tom Schwetz said the scale of service changes in conjunction with the launch of EmX West operations required some additional adjustments, along with efficiency gains in other parts of the system. He said LTD's Service Policy required that a public hearing be conducted for proposed service changes and the Board would be asked to approve staff recommendations at its December 6, 2017, meeting. Changes in service would go into effect on February 4, 2018.

Associate Service Planner Bret Smith used slides of system maps to explain the proposed service changes to routes #41, 66 (weekday only), 67 (weekday only), 79x, 82, 93, 95, and 98. He invited questions from Board members.

Mr. Yeh asked why #66 and #67 service would be changed from 15 minutes to 20 minutes. He said that he wondered if traffic congestion in the area deterred potential riders from wanting to use transit. Mr. Smith said the bus loads were not sufficient to justify 15 minute service. Mr. Schwetz said the transit market on those routes was not high enough to fill buses every 15 minutes; scaling back to 20 minutes was appropriate sizing of frequency. He said that as the area continued to grow service frequency could be increased as both routes were on the frequent transit network and a critical part of creating cross-town connections. He said that staff had employed a number of strategies over the years to increase ridership and while it had risen, it was not yet able to support 15 minute service. Mr. Smith added that future development of multi-family housing in the area would likely result in 15 minutes service being reinstated.

Mr. Yeh asked if elimination of the late night Saturday trips on #79x were the result of student requests during negotiations with the University of Oregon. Director of Public Affairs Edward McGlone replied that many students had financial pressures and the added late night trips were expensive. It was determined over the years that there had been a substantial decline in late night ridership on the route as students moved closer to campus and students were exploring other low cost transportation options.

Mr. Nordin asked how the service changes would be publicized. Mr. Smith said marketing staff was developing outreach strategies to assure that riders were aware of changes.

Mr. Yett asked that proposed service changes and added routes be accompanied by an estimate of expected ridership, along with an estimate of cost savings when frequency was reduced, such as the proposed changes to #66/67. He said it would be helpful to have baselines to compare to future results to determine if expectations were met. Mr. Smith said that measures could be provided.

Mr. Wildish said that he appreciated the efficiencies in proposed changes.

Mr. Wildish opened the public hearing and determined there was no one wishing to speak. He closed the public hearing.

**PUBLIC HEARING: PROPOSED FY 2017-18 CAPITAL PROJECTS FUND SUPPLEMENTAL BUDGET AND PROPOSED FY 2018-19 CAPITAL PROJECTS FUND BUDGET:**

Director of Finance Christina Shew said the Board was being requested to approve the FY 2017-18 Capital Projects Fund Supplemental Budget and FY 2018-19 Capital Projects Fund Budget, which reflected the 10-year Capital Improvement Program (CIP). The CIP had been reviewed in depth by the Budget Committee and Board at previous meetings and issued for public comment. She said that the CIP had also gone through the Metropolitan Planning Organization (MPO) process for those items funded by ODOT. She said feedback from those reviews had been incorporated in the CIP and no public comments had been received to date. She said that once approved, the documents would be posted on LTD's website. She indicated there had been to change to the General Fund dollars being requested, other changes related to additional grant funds secured or identified as being secured, as well as reallocation of existing General Fund dollars to specific programs. She said another change increased the COA budget over the five-year period. State of Good Repair projects kept District assets in good repair and included items such as revenue vehicles; Community Investment projects helped increase ridership and improve the ridership experience. She said Grant-Funded Capital Projects provided non-fixed route services and commute options. She pointed out how funding sources were identified for each project and reviewed spreadsheets for both budgets.

Mr. Wildish opened the public hearing. He determined there was no one wishing to speak and closed the hearing.

**ITEMS FOR ACTION AT THIS MEETING:**

**Consent Calendar:** Ms. Reid announced that she had a conflict of interest on an item related to a Willamalane Park and Recreation District contract in the Delegated Authority Report-October and would abstain from voting on it.

Ms. Denmark requested that the two items related to contracts for the *MovingAhead* Project-Phase 1 and Operations Uniform, along with the Delegated Authority Report, also be removed from the Consent Calendar.

Mr. Wildish removed the Delegated Authority Report-October, *MovingAhead* Project-Phase 1 contract, and Operations Uniforms contract from the Consent Calendar. There were no objections.

**MOTION** Mr. Yeh moved that the Board approved the Consent Calendar for November 15, 2017, as amended. Mr. Yett provided the second. The amended Consent Calendar consisted of the Minutes of the October 18, 2017, Regular Board Meeting; State Government Relations Services contract; Capital Improvements Program; and Reaffirmation of District Boundaries.

**VOTE** The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh, Yett (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Gillespie, Necker (2)

**MOTION** **Delegated Authority Report-October:** Mr. Yeh moved to approve the Delegated Authority Report-October. Mr. Nordin provided the second.

**VOTE** The motion was approved as follows:  
AYES: Nordin, Wildish, Yeh, Yett (4)  
NAYS: None  
ABSTENTIONS: Reid (1)  
EXCUSED: Gillespie, Necker (2)

**Contract - MovingAhead Project-Phase 1:** Ms. Denmark said the contract was reviewed by the Finance Committee and an apparent high-ranked proposer was identified. Negotiations were in progress, but not yet completed and the contractor could not be identified in the resolution in case the negotiations were not satisfactorily concluded. Under the requirements of Federal Transit Administration (FTA) and Oregon law if negotiations were successful the contract would be awarded; if not, LTD would proceed to the second-ranked proposer. The language of the resolution had been modified to reflect that process.

**MOTION** Mr. Nordin moved that the Lane Transit District Board of Directors, acting as the LTD Contract Review Board, passes a resolution as follows: Resolution No. 2017-11-15-59: BE IT RESOLVED that the contract shall be in compliance with all applicable laws and regulations, once any protest period has passed and no protests are received and/or such protests been resolved in accordance with Oregon law and LTD procurement policy, the general manager, or her designee, is hereby authorized to: (a) negotiate and enter into a contract with a vendor deemed to be the highest-ranked responsive, responsible contractor for the purpose of providing consulting services to support completion of the *MovingAhead* Project-Phase 1 in an amount not to exceed \$500,000; and (b) as needed, execute amendments to the contract not exceed a cumulative total of \$150,000 or 10 percent of the initial contract price, whichever is less.

**VOTE** The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh, Yett (5)

NAYS: None  
ABSTENTIONS: None  
EXCUSED: Gillespie, Necker (2)

**Contract - Operations Uniforms:** Ms. Denmark explained that during the Finance Committee's review of the contract, questions arose regarding sole-source procurement. She said the labor agreement with Amalgamated Transit Union (ATU) required LTD to provide uniforms. When a solicitation for proposals to supply leased uniforms was issued there were no responses. A second solicitation was issued to a larger pool of potential vendors and there were again no responses. She said that the FTA requirements had been satisfied, as had the additional requirement under Oregon law for written findings. She said that LTD would enter into two contracts: one with Cintas for uniform bottoms and one with McKenzie Sew-On for tops and supervisor uniforms. She said approval of the resolution would constitute acceptance of those findings and language in the resolution stated that the contract was approved so long as no protests were received, or if received, they were resolved by the general manager. The period for protests was seven days.

MOTION Mr. Yeh moved Resolution No. 2017-11-15-2017-60: Be it resolved that the Lane Transit District Board of Directors authorizes the general manager to split the award of the operations uniforms to Cintas and McKenzie Sew-On. Mr. Nordin provided the second.

Ms. Reid asked if the award was being split because neither of the vendors was able to provide both uniform tops and bottoms. Mr. Yeh said that was correct and the Finance Committee had questioned staff at length about the issue and options available; the proposed award was the best option.

VOTE The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh, Yett (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Gillespie, Necker (2)

**Adoption: Public Records Request Policy:** Ms. Gandolfi said Senate Bill 481, enacted during the past legislative session, had an impact on responsiveness to public information requests. She said LTD's policy had been updated to reflect new requirements and had been reviewed and approved by the District's legal counsel. The new policy would become effective January 1, 2018.

Mr. Wildish asked that future policy changes be shown in legislative format so that proposed changes could be easily identified.

MOTION Mr. Nordin moved the following resolution: Resolution No. 2017-11-15-64: BE IT RESOLVED that the LTD Board of Directors adopts the Public Records Request Policy, as set forth in Exhibit 1, which is attached hereto and is incorporated herein by this reference. Ms. Reid provided the second.

VOTE The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh (4)  
NAYS: None  
ABSTENTIONS: Yett (1)

EXCUSED: Gillespie, Necker (2)

**MOTION Adoption: FY 2017-18 Capital Projects Fund Supplemental Budget:** Mr. Nordin moved approval of LTD Resolution No. 2017-11-15-65, which amends the LTD Fiscal Year 2017-2018 Capital Projects Fund Budget as represented in the resolution. Mr. Yeh provided the second.

**VOTE** The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh, Yett (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Gillespie, Necker (2)

**MOTION Adoption: FY 2018-19 Capital Projects Fund Budget:** Ms. Reid moved approval of LTD Resolution No. 2017-11-15-66, adopting the LTD Fiscal Year 2018-2019 Capital Projects Fund Budget a presented and appropriating \$17,740,489 as represented in the resolution. Mr. Yett provided the second.

**VOTE** The motion was approved as follows:  
AYES: Nordin, Reid, Wildish, Yeh, Yett (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Gillespie, Necker (2)

#### **ITEMS FOR INFORMATION AT THIS MEETING:**

**Board Member Reports:** Mr. Wildish distributed copies of general manager performance survey materials developed by the Board Human Relations Committee. He also distributed a list of community leaders, elected officials, and legislators and asked Board members to identify two or three individuals from the list who they would be willing to contact and let him know who they were. He said that he hoped to have the surveys completed by December 6, 2017.

Mr. Nordin said that he understood a partnership had been established to fund a feasibility study of transit between Florence and Eugene. Mr. Schwetz clarified that the group had met to discuss funding. The discussion, led by ODOT, included representatives from travel organizations, the City of Florence, LTD, and Lane Council of Governments. He said ODOT would continue to convene meetings of the group and LTD had expressed willingness to provide technical assistance to support its work.

Ms. Reid reported that there had been an interesting discussion of mid-Willamette Valley intramodal and transload facilities at the Metropolitan Policy Committee (MPC) meeting. She said Lane County presented two options and there were two options in the Albany area. The Lane County sites being discussed were in Goshen and near West 11th Avenue and Greenhill Road in Eugene. She said a mid-valley facility would remove 1,500 freight trucks a day from the Interstate 5 corridor, as well as support development at the Port of Coos Bay through the Coos Bay Rail Link. She also reported the Strategic Planning Committee had received six applications for membership to fill four open positions on the committee.

**Board Bylaws/Orientation:** Ms. Jackson distributed copies of draft bylaws for the Board. She said the intent was to produce a short document that would help the Board conduct its business. She said the bylaws were based on best practices and had undergone a preliminary review by legal counsel. She asked Board members to review the bylaws and suggest changes to the language. She said that she hoped a final version could be adopted by the Board at its December 2017 or January 2018 meeting. She highlighted several sections, including communications, election of officers, and governance and administrative procedures. She said once the bylaws were adopted the Board would be governed by them, but that they could be modified by a majority of the Board. She said staff was also developing a streamlined orientation binder for Board members and additional materials could be made available as requested.

Ms. Reid asked that the referenced policies be developed prior to adoption of the bylaws. Ms. Denmark said those policies would be incorporated as exhibits in the final version of the bylaws.

Mr. Yett left the meeting at 6:10 p.m.

**Monthly Financial Reports – August:** Ms. Shew reviewed the August 2017 Year-to-Date financial report provided in the agenda packet, noting key drivers for revenues and expenditures in the General Fund, Medicaid Fund, Accessible Services Fund, Capital Projects Fund and Point2point Fund.

Mr. Wildish and Mr. Nordin asked about fluctuations in payroll tax revenue. Ms. Shew said she tracked payroll taxes by comparing them to the same period in the previous year and said the amounts received from the Department of Revenue were very seasonal and patterns similar from year to year, which allowed her to see if revenues were on target. She said spikes in revenue reflected how funds were received from the Department of Revenue and she could provide a chart that illustrated current and prior year revenue patterns.

Ms. Reid asked when the submission of Medicaid claims for reimbursement would be up to date. Ms. Shew said there were still challenges with implementation of the new software and claims submitted during the past month had been denied. Assistant General Manager Service Delivery Mark Johnson explained that claims were being denied because of erroneous data in a batch. He said those problems were being investigated to determine the source. Ms. Shew said future reports would show the same lag in payments until problems were resolved.

Mr. Wildish commented that until Medicaid claims problems were resolved and reimbursements received LTD was carrying the cost of those services. He expressed concern that a shortfall could occur similar to that which had occurred two years ago. Mr. Johnson said that he did not think that was likely because the problem related to glitches in the software; once resolved LTD would receive reimbursement for the cost of services. The previous problem arose because the reimbursement formula did not fully cover the cost of providing services. He said the reimbursement backlog resulted from claims submitted during July and August while LTD was switching to the new software program and exacerbated by the loss of key information technology personnel during the transition. He said that he expected the situation would be resolved within a month.

**Monthly Grants Report – October:** Mr. Wildish noted that there significant amounts of unspent funds remaining in the EmX West grants. Ms. Shew said drawdowns would be made once reconciliations were completed. She said having multiple funding sources for a project made the reconciliation process complex, but it was essential that drawdowns on federal grants be 100 percent accurate.

Ms. Reid asked if staff was certain that the grant applications listed under Additional Grant Activity would be funded. Ms. Shew said staff was confident of those awards. Ms. Jackson noted that all of the grants, with the exception of the FTA Low or No Emission Vehicle Program grant, were formula funds and the Low/No Emission grant had been awarded. She said receipt of the listed grants was guaranteed.

**Monthly Cash Disbursements – October:** There were no questions.

**Monthly Performance Reports - August/September:** Mr. Wildish commented that boardings had increased in September as students returned to school and fleet miles were higher than the prior year, but that could decrease as winter service changes were implemented.

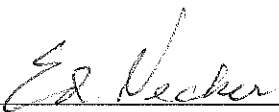
Mr. Nordin asked if performance reports were available on EmX West. Mr. Schwetz said with only two months of operational experience there was not enough data to identify long-term trends, but ridership increases had occurred in West Eugene ridership since the EmX West launch. He said the largest change since the fall bid had been weekend ridership system wide, with an increase of seven percent. He said EmX ridership had gone from 26-27 percent of system ridership to 36 percent. He said before EmX West transfers at the Commerce Street Station were 400-500 per day; after launch transfers were now at 1,500 per day.

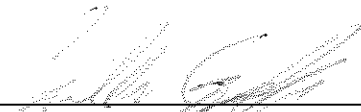
**Monthly Department Reports – November:** There were no questions.

**ADJOURNMENT:** Mr. Wildish adjourned the meeting at 7:10 p.m.

LANE TRANSIT DISTRICT:

ATTEST:

  
\_\_\_\_\_  
Ed Necker  
Board Secretary

  
\_\_\_\_\_  
Camille Gandolfi  
Clerk of the Board

Date Approved: 12-13-17