

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/WORK SESSION

Wednesday, May 17, 2017

Pursuant to notice given to *The Register-Guard* for publication on May 14, 2017, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special board meeting/work session on Wednesday, May 17, 2017, beginning at 2:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, President
Don Nordin, Treasurer (arrived at 3:05 p.m.)
Kate Reid
Carl Yeh
A.J. Jackson, General Manager
Dwight Purdy, General Counsel
Camille Straub, 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 welcomed those in attendance.

ANNOUNCEMENTS: There were no announcements.

WORK SESSION:

Santa Clara Community Transit Center: Director of Planning and Development Tom Schwetz provided an overview of the steps involved in the development of the center and reviewed the scope, schedule and current status of the development project. He described the history of the River Avenue site and explained a number of factors involved in the decision to seek another site along the River Road corridor, including operational safety concerns and the Oregon Department of Transportation's (ODOT) for the Beltline/River Road interchange. He said the current site served routes #51, 51 and 55 and was used by about 40 vehicles and three van pools daily, with about 300 weekday boardings.

Mr. Schwetz said much of the growth in the area had migrated to the north of Beltline and a significant increase in traffic congestion at the intersection caused delays with bus ingress and egress. ODOT had expressed an interest in purchasing the River Avenue site as part of its plans for the intersection. He used a graphic of the site to illustrate how problems with the location had grown over the years.

Mr. Schwetz said the new site on River Road was at the center of new development activity on the corridor. LTD had purchased the property, which was the location of the former Santa Clara Elementary School, from the Eugene 4J School District. He said the surrounding area had a concentration of communities of concern, who would have good access to the regional transit system once the new station was operational. He said the site consisted of 7.6 acres; LTD would use three of those acres for its facility and improve the remainder consistent with the neighborhood refinement plan. He described the city's land use process that the entire site had to go through prior to breaking ground for the transit center.

Mr. Schwetz used a conceptual site design to illustrate the public improvements that would be part of the transit center development process:

- roadway traversing the site
- traffic signal at Green Lane
- stormwater retention on site
- electricity and wastewater connections
- a City of Eugene project to improve the intersection of River Road and Hunsaker Lane

Mr. Schwetz also discussed the station design, traffic flow through the site, flexibility of the site plan and opportunities for commercial and residential development. He said the green areas were intended for stormwater retention. LTD would be required to maintain only the approximately three-acre portion of the site it would retain; the remainder of the parcel would be sold.

Mr. Yeh appreciated planning for the potential integration of EmX operations in the future.

Mr. Nordin asked if there had been discussion of Leadership in Energy and Environmental Design (LEED) standards with respect to site development. Mr. Schwetz said those types of decisions would be made further into the design process, although the project had not been costed out as an LEED standards facility. He said that could be done if the Board desired.

Mr. Schwetz reviewed the remainder of the planning and development process and schedule. He anticipated the facility would open in October 2019.

Mr. Wildish asked if the concerns of a property owner across from the site had been addressed. Ms. Jackson said she had spoken to the owner and while there were trust issues, she felt that effective communications, transparency and outreach to the community could identify concerns and address them early in the process.

Mr. Wildish said the project had good support from the Santa Clara Community Organization.

Strategic Business Plan — Mr. Schwetz said the concept of a business plan arose during discussions of the Long-Range Transit Plan and the need for implementation goals, policies and potential actions to provide confidence that the decisions and actions of today were moving the District in the direction it wanted to go.

Mr. Nordin expressed caution about making long-range plans on today's premises when things were changing so quickly in society, transportation, technology and energy systems.

Ms. Reid said the budget process demonstrated how much funding came from the community to support LTD operations. She said it was the Board's duty to produce the best and most responsible use of those dollars. It was essential to look strategically at and incorporate the community's ideas, needs and desires in planning for the future.

Mr. Schwetz agreed there should be alignment between what LTD was doing and the investments it was making and the community's needs and expectations. The District's current organizational structure, processes and procedures had to be aligned with the anticipated future operational needs in order to achieve goals and adapt to future changes. He asked Board members what they felt was entailed in that process.

Mr. Nordin said the District should engage with those on the cutting edge who might already be working with that concept. It was important to educate the community and ask for assistance with future plans.

Mr. Yeh concurred with Ms. Reid that the business community was a source of funding for LTD and was concerned there would be resistance to future system expansion and improvements in favor of maintaining the current system and keeping costs as low as possible. He did not think that would be in the best interests of the community; there were benefits of a first class transit system that were not available in a minimal system. He thought it was important to explore additional revenue streams, as well as determining how costs could be shared among beneficiaries of the system.

Ms. Reid said a community conversation that framed transit in a way that people could understand and relate to might help open minds to what the future could hold, instead of perceiving LTD's investments as something the District wanted to do.

Mr. Schwetz agreed that once of the first strategic steps was engaging the community about needs and expectations.

Mr. Wildish said it would be challenging, but the Board needed to build confidence in the community that it was concerned with the best interests of the whole.

Mr. Schwetz asked Board members to think of specific issues the Strategic Planning Committee (SPC) could consider. He said a robust public engagement was critical and should be ongoing as the future unfolded. He said in order to deliver on community expectations and service strategies would need to evolve and adapt to changing demands. That would entail an ongoing assessment of resource needs and process changes and alignment of internal plans. He used plans from the Whatcom Transportation Authority, a transit agency similar in size to LTD, to demonstrate the types of deliverables he anticipated would be generated as part of the process he had described. Broad elements of the scope of work would include:

- engage the community in defining future roles and priorities for LTD
- conduct a comprehensive operations analysis to inform development of the future network

- carry out an assessment of the timing, resources and process changes needed to deliver on the community's needs and expectations for transit

Mr. Schwetz used a flow chart to demonstrate the steps in the process, which he expected would take 18 months to complete and produce aligned plans and create a more effective and strategic process.

Mr. Nordin commented that the process would produce a better outcome if more public/private partnerships were developed to shoulder some of the burden. Mr. Schwetz agreed and said that federal policies were encouraging more of those partnerships.

Ms. Reid agreed that collaborative relationships were important to assure that local jurisdictions and partners were working together on common goals. LTD needed to instill trust that it would serve the community's needs and a strategic business plan would help demonstrate that.

Mr. Nordin suggested a small scale first mile/last mile project that could be funded through a public/private partnership. He gave the example of a cargo bike project to allow constituents of the Relief Nursery to get to and from ~~the Springfield Station Main Street~~.

Ms. Jackson said developing a short- and long-range business plan was a fundamental process that an organization needed to predict where it was going. It required discussion of the alignment of future decisions regarding financial, capital and service investments. The business plan was intended to be a governing document that required the Board to annually determine if the organization was still going in the right direction or needed to change course. That would help to address questions from the community about why LTD was taking a particular action, how it aligned with community needs and expectations and how and why it was using resources. She hoped the Board would encourage the SPC to work on the vision.

Mr. Wildish said the SPC could provide assistance to the Board and consider ideas forwarded from the Board.

Ms. Reid said there were opportunities to appoint members to the SPC who would be good conduits to the community.

Contract Review: Purchasing Manager Collina Washington reviewed seven contracts that required approval by the Board because the contract amount exceeded \$149,999.

Contract No. 2017-01: Janitorial Services and Supplies for Glenwood and RideSource Facilities

Ms. Washington explained the current contract expired on May 31, 2017. A Request for Proposals (RFP) issued in March 2017 received a single response. Other potential respondents expressing an interest were contacted to determine why they had not submitted a proposal and those contacts were documented in the agenda packet.

In response to questions from Mr. Wildish, she explained that a contractor was allowed to include an administrative cost. LTD was contracting for labor and materials and was considered a fixed labor hour contract under federal guidelines, with indefinite delivery and

indefinite quantity. She reviewed the contract budget, terms and conditions. The base term was two years, with an option to extend annually for three additional years. She noted that the projected contract amount over the five-year period was a 15 percent decrease from the current contract value. She asked the Board to authorize the general manager to enter into the contract.

Contract Amendment Ten for Contract No. 2011-14: Janitorial Services and Supplies for Eugene Station, Springfield Station, Neighborhood Stations, and EmX Stations

Ms. Washington said staff had separated janitorial services into two contracts instead of having one large contract because it provided an opportunity for emerging small businesses and disadvantaged business enterprises (DBE) to bid on contracts. An extension of the current contract for all stations would give staff time to prepare several solicitations for different types of stations and allow potential contractors time to prepare to bid. She said contracts for different types of work would also be easier for staff to manage. She said the extension would equate to more than 10 percent of the original contract value and therefore was being presented to the Board. She asked the Board to authorize the general manager to extend the contract to allow staff time to prepare the package RFPs for smaller contracts.

Mr. Yeh asked why there had been a lack of bids for the contract. Ms. Washington replied that the contract was too large for smaller businesses. Her goal was to help educate the contracting community about joint ventures and teaming opportunities so they could join together to bid on larger contracts.

Contract No. 2017-08: Landscape Services for District Facilities

Ms. Washington said the contract was for landscape services at all District facilities, as well as at other properties for which LTD had some maintenance responsibilities. She said the current contract expired on June 30, 2017, and in January 2017 a solicitation seeking proposals for landscaping and irrigation system maintenance was issued. Three responses were received, one of which was not responsive. She said the current contract submitted the lowest and most responsive bid. The contract was for two years, with three additional options years up to a total of five contract years. She said the new contract represented a 13.5 percent decrease over the current contract value.

In response to a question from Mr. Wildish, Ms. Washington said that proposals were evaluated for responsiveness and responsibility. Responsiveness included completion of all documents and provision of all information requested in the solicitation. Solicitations provided guidance on preparation of the proposal or bid. Responsibility addressed the ability of the proposer to deliver the goods and/or services. She said solicitations stressed that responsiveness was the first element evaluated and proposers were told their document was not responsiveness, but details were not given until notices of award and non-selection had been issued; at that point proposers could be debriefed. She said an RFP was best value, not low bid.

Mr. Wildish stressed that contractors should be encouraged to submit bids and proposals and requirements had to be very clear. If a contractor could not fulfill those requirements or chose not to bid, it was important to know why.

Ms. Washington said in the case of an Invitation to Bid, which was low bid, contractors were given plans, specs and requirements were very clear and staff tried to identify any issues

that prevented businesses from submitting bids. In the case of an RFP, that solicitation was on the street for 30-45 days and included an inquiry period that allowed potential respondents an opportunity to ask questions and take exception to anything in the document or contract. She said the landscape services had three responses and six vendors that had initially expressed interest.

Change Notice #7 to Contract No. 2009-44: University of Oregon Graduate Student and Faculty Group Pass

Ms. Washington said the contract was negotiated annually with the University regarding the number of graduate students and faculty. She said it was a revenue contract that would generate \$343,687.

Mr. Yeh asked how the contract compared to previous years. Marketing Manager Meg Kester said it was consistent with previous contracts. She said it was one of two contracts with the University and was the smaller of the two. She said the larger contract was through Associated Students of the University of Oregon (ASUO) for participation of students using transit services and would come before the Board at a later date. The amount of that contract was \$1.3 million.

Mr. Wildish asked how many boardings the contract represented. Ms. Washington said the contract was for 434 passes. Ms. Jackson added that LTD did not currently have the technology to track the boardings of group pass users, but was working on a project to develop that capability.

Mr. Schwetz said periodic surveys had been conducted to determine the extent of group passes use. He said some data about student transit use was also captured in the origin/destination survey.

Mr. Wildish said his interest was in determining equity with other group pass programs and it was currently difficult to assess that.

Mr. Yeh agreed that it was important to assure equitable arrangements among all group pass programs. He said it would also be helpful to let the University know how dependent their students and staff were on the transit system.

Mr. Nordin noted that the contract allowed for a 30-day termination. Ms. Washington said that because both LTD and the University were public entities contracts between allowed either party to provide a 30-day termination. She said typically that would be done because of a change in laws or regulations that required a quick response. She said a 30-day termination for convenience was standard in all intergovernmental agreements (IGA).

Contract Change Notice No. 2017-01: Wildish Building Company CM/GC for West Eugene EmX Project

Ms. Washington said the change would allow LTD to let a package of small bids on the Willow Creek terminus to encourage competition. She said a solicitation was issued in February 2017 and two responsive bids were received. She said that Wildish was allowed to charge an administrative fee on the smaller packages and while a terminus was contemplated in the original bid, it was in a different location with a different design. The final

terminus design was now completed and the purpose of the change order was to align the Wildish CM/GC contract to reflect the final part of the project.

Mr. Wildish said the original contract with Wildish Building Company included a terminus at the west end of the corridor in a different location with a different design. Funds were in the contract for that work and the change order would make the necessary adjustments to remove that work and add the contracts for the Willow Creek terminus. The contract would be reconciled as the project moved forward.

Ms. Reid asked if LTD would contract directly with the successful bidders on the Willow Creek terminus project. Ms. Washington said that each winning contractor on the smaller bid packages would be a subcontractor with Wildish Building Company, which would be supervising the entire West Eugene EmX project.

Ms. Washington said the two change orders she had just reviewed had been vetted by the Board Finance Committee and forwarded to the full Board for consideration on the Consent Calendar.

Contract No. 2017-23: Facilities Maintenance Building and Bus Lot Expansion

Mr. Wildish announced that he was on the board of directors for Chambers Construction and received some compensation for that, but did not have any ownership in the company and would participate in discussion of the contract but not participate in the Board's decision to award.

Ms. Washington briefly reviewed the contract and reminded the Board that Director of Facilities Joe McCormack had given a detailed presentation on the project as the Board's April work session. She said the solicitation for qualified contractors had been let in March 2017 and three bids were received. Chambers Construction submitted the lowest responsive and responsible bid for \$3,097,795. The total project cost approved in the Capital Improvement Program was \$3.6 million. She asked that the contract be forwarded to the Board with a request that the general manager be authorized to enter into the contract with Chambers Construction. The District's general counsel would review the contract before it was presented to the general manager for execution.

Contract No. 2016-05: On-call Contracting Services for LTD Facilities

Ms. Washington said the contract with Chambers Construction was actually let in 2016 but because was delayed in order for LTD to implement any changes recommended by the Federal Transit Administration during its annual review. She said the purpose of the contract was to supplement the District's in-house staff for smaller projects that would not require competitive bidding. She said the agenda items summary listed the types of projects that would be involved. The contract was a fixed price labor/hour contract with indefinite delivery and indefinite quantity, managed by task order as projects arose. She said a projected contract cost over the five-year period was \$2.6 million, with approximately \$500,000 expended in the first year. She asked that the contract be recommended to the Board for consideration.

Ms. Jackson said there would be more contracts to consider in June. She said staff had been working with legal council to standardize contracts and the legal language they contained. The Board's concern would be with the scope of services. She said that typically

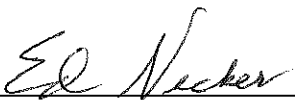
following a work session those contracts that had been reviewed would be placed on the Consent Calendar for approval, but Board members could request that a contract be removed from the Consent Calendar for further discussion. She also asked for feedback on the agenda item summaries used for contracts and whether the level of information being provided was sufficient.

Mr. Yeh suggested that a future work session could provide details on the RFP and procurement process.

Mr. Wildish asked if it was legal to include a preference for Oregon contractors. Ms. Jackson said a preference for Oregon contractors was not legal if federal funds were being used, but acceptable if state or LTD funds were used exclusively in a contract.

ADJOURNMENT: Mr. Wildish adjourned the meeting at 4:35 p.m.

LANE TRANSIT DISTRICT:



Ed Necker
Board Secretary

ATTEST:



Camille Straub
Clerk of the Board

Date Approved: 6/21/17