

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, June 19, 2013

Pursuant to notice given to *The Register-Guard* for publication on June 13, 2013, 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, June 19, 2013, beginning at 5:30 p.m., at the LTD Board Room, 3500 East 17th Avenue, Eugene, Oregon.

Present: Doris Towery, President
Gary Gillespie, Vice President
Michael Dubick, Secretary
Ed Necker, Treasurer
Martha Reilly
Carl Yeh
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER/ROLL CALL: Ms. Towery convened the meeting and called the roll at 5:35 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: There were no comments by the Board president.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne asked Point2point Transportation Options Manager Theresa Brand to introduce two employees that recently joined her department. Ms. Brand introduced Cody Franz, Springfield Main Street SmartTrips coordinator, and Allison Camp, bike/pedestrian sustainability coordinator, and gave an overview of their education and experience.

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

BOARD CALENDARS: Mr. Kilcoyne briefly reviewed the scheduled activities. He invited the Board members to participate in the Bus Roadeo on July 21, 2013.

EMPLOYEE OF THE MONTH: The Board recognized Bus Operator/Instructor Marcus Hecker as the July 2013 Employee of the Month.

Ms. Towery thanked Mr. Hecker for his service and dedication to LTD's mission and presented him with a certificate of appreciation, a check, and a pin commemorating his award. Mr. Hecker expressed his appreciation for the award and the opportunities made available to him through his employment with LTD.

AUDIENCE PARTICIPATION: Ms. Towery explained the procedures for providing public testimony.

Bob Macherione, Eugene, representing Our Money, Our Transit (OMOT), expressed ongoing concern for the lack of service to low-income housing on Brewer Lane, which he said was discontinued in 2010. He acknowledged receiving a letter from LTD which indicated that the District did not have funds to restore that service. He stated that the proposed budget included funds for two new administrative positions, which he said demonstrated that the District's focus was no longer on providing basic bus service to low-income housing. He repeated his request that the Brewer Lane service be restored. He said that a proper analysis of the issue had not been conducted and that Title VI impacts were not being considered.

Josef Siekiel-Zdzienicki, Eugene, commented that a 2012 University of Oregon (UO) study had revised an earlier study and concluded that there would be no increase in student enrollments during the next ten years, and only a 1,000-student increase during the ten years after that period. He urged LTD to rethink its budget because ridership was at a plateau, and a very large percentage of riders were students. He questioned how the District could afford major capital projects and when it would restore service to low-income people instead of catering to UO students.

ITEMS FOR ACTION AT THIS MEETING

Consent Calendar: Mr. Necker asked that Item No. 3, Approval of Federally Required Update of Extended Illness Bank Policy, be removed from the Consent Calendar for discussion.

MOTION Mr. Gillespie moved that Item No. 3, Approval of Federally Required Update of Extended Illness Bank Policy, be removed from the Consent Calendar for discussion. Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

MOTION Mr. Yeh moved adoption of LTD Resolution No. 2013-019: It is hereby resolved that Item Nos. 1, 2 and 4 of the Consent Calendar for June 19, 2013, are approved as presented. Mr. Dubick provided the second. The Consent Calendar consisted of the minutes of the April 22, 2013, Strategic Planning Session; minutes of the May 15, 2013, Regular Board Meeting; and LTD Resolution No. 2013-020 Reaffirming LTD's District Boundaries.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Federally Required Update of Extended Illness Bank Policy: Mr. Necker asked for clarification of the proposed changes to the Extended Illness Bank (EIB); specifically, if the changes apply to pensions. Mr. Kilcoyne explained that the new Defined Contribution Plan applies to administrative employees, not union employees. He said that all administrative staff hired after January 1, 2012, participate in a defined contribution program. Director of Human Resources and Risk Management Mary Adams added that the changes were intended to align the EIB policy with the Defined Contribution Plan, which was adopted by the Board in 2011 to apply to new administrative employees.

MOTION Mr. Necker moved to approve Amendments to the Extended Illness Bank Policy as presented. Dr. Reilly provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Public Hearing and Adoption of Fiscal Year 2013-14 Budget: Director of Finance and Information Technology Diane Hellekson explained that the budget had not been changed since it was approved by the Budget Committee on May 15, 2013, which included all members of the LTD Board. She said that the Board could make minor changes before adoption, but substantial changes would need to be referred back to the Budget Committee for approval.

Ms. Towery opened the public hearing and invited testimony.

Bob Macherione, Eugene, representing OMOT, asked the Board or the LTD general manager to modify the budget before adoption in order to restore service to low-income housing. He said that funds should be spent on that service instead of on administrative staff. He did not understand how LTD could ignore its core mission of serving low-income populations and instead expand the EmX system. He urged the LTD Board to restructure the budget before adopting it and to restore service.

Ms. Hellekson clarified that the LTD Board needed to take action on the budget because State statute requires the District to have an adopted budget in place by June 30, 2013, and to file it with the State by July 15.

Ms. Towery determined that there was no one else wishing to testify, and closed the public hearing.

Mr. Gillespie spoke in favor of restoring the administrative position that would assist the District in acquiring additional funding from other sources. He stated that it was vital to have a staff member dedicated to that task because increasing District revenue could raise the likelihood of restoring or expanding regular bus service in the future.

MOTION Dr. Reilly moved approval of Resolution No. 2013-021, adopting the LTD Fiscal Year 2013-14 approved budget as presented and appropriating \$181,049,000 as represented in the resolution. Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

West Eugene EmX Extension Contracting Method: Purchasing Manager Jeanette Bailor stated that the LTD Board also serves as the LTD Contract Review Board. According to Oregon State law, the Contract Review Board needs to meet in certain circumstances to approve certain actions in terms of purchasing.

MOTION **Call to Order as LTD Contract Review Board:** Mr. Dubick moved that the regular meeting of the LTD Board be adjourned and that it be reconvened as the LTD Contract Review Board. Mr. Yeh provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Ms. Towery called the meeting of the LTD Contract Review Board to order.

Ms. Bailor described the Construction Manager/General Contractor (CM/GC) alternative contracting method, which LTD had used for both the Franklin and Gateway EmX projects. She said that CM/GC contracting was typically used on very large, complex projects that could not be procured using the low-bid method because of the scope of work involved. She said that in order to use any contracting method other than low-bid, the State required LTD to hold a public hearing and to obtain approval from the governing Board. She noted that the agenda packet contained a synopsis of the project and findings that supported the benefits of using the CM/GC method and low-bid exemption. The Board members indicated their understanding of the method.

Ms. Towery opened the public hearing.

Bob Macherione, Eugene, representing OMOT, stated that all of OMOT's input had been ignored. He said that he tried to give the LTD Board the benefit of the doubt, but OMOT had received no positive response from the Board regarding the group's concerns. Therefore, OMOT had filed a lawsuit against the Federal Transit Administration (FTA). He said that OMOT would figure out how to control LTD and get public input that worked. Speaking to the contracting method, he said that LTD had assured the public that the construction would proceed quickly, with minimal impact to businesses along the route. He said that instead of limiting construction to a two-block area, the contracting information indicated construction would be limited to approximately a five-block area. Mr. Macherione said that demonstrated that LTD had its own agenda and did not care about the impact on anyone else or about anyone's input. He insisted that LTD had ignored information that the West Eugene EmX Extension was unnecessary but continues to move forward.

There being no further testimony, Ms. Towery closed the public hearing.

Mr. Gillespie asked if bidders on the project would be aware that Davis-Bacon wage and Disadvantaged Business Enterprise (DBE) requirements applied. Ms. Bailor said that all bidding documents, both for the CM/GC and subcontracts, specified federal and state terms and conditions, including Davis-Bacon and DBE.

MOTION Dr. Reilly moved the following resolution: LTD Resolution No. 2013-022: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves the use of a competitive request for proposals process for a construction manager/general contractor for the West Eugene EmX Extension project. We further move to delegate authority to the General Manager to sign a contract with the selected construction manager/general contractor after the selection process has been concluded. Mr. Yeh provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Ms. Towery adjourned the meeting of the LTD Contract Review Board and reconvened the regular LTD Board meeting.

Federal Fiscal Year 2014 Disadvantaged Business Enterprise (DBE) Goal: Ms. Bailor said that every three years a new DBE goal was presented to the Board. It was based on calculations of the number of DBEs as a percentage of the same type of businesses listed in Lane County's Business Data Report. She said that the updated Program and Policy, along with calculations and supporting documents, were included in the agenda packet. She said that businesses receive DBE certification from the State of Oregon and are monitored annually by the State for compliance. She said that a list of DBE-certified businesses in Lane, Linn, Benton, and Douglas counties was provided.

Ms. Bailor said that LTD had a race neutral goal, which meant it did not set an actual goal in accordance with guidance issued by the FTA and the Federal Highway Administration (FHWA), but did (1) establish an organizational goal, and (2) submit a report to the FTA. She said that LTD was required to encourage contractors to solicit bids and set up programs to encourage DBE and small business subcontractors. She provided technical assistance to DBEs and small businesses to help them compete in the bidding process. She said that LTD's DBE goal for the next three years is 3.21 percent of contracting opportunities, based on next year's budget. She said that LTD's most recent goal was 3.49 percent; however, 4.91 percent was achieved. Of 842 firms in Lane County corresponding with the same types of businesses in which there were DBE firms, 27 were DBE certified.

In response to questions from Mr. Gillespie, Ms. Bailor said that the goal of 3.21 was a percentage of the federally funded contracts and established when a project went out to bid.

Mr. Necker asked if contractors were required to meet that goal. Ms. Bailor said that LTD was race neutral and did not impose a goal when issuing requests for proposals, but contractors were encouraged to propose a DBE goal when bidding. She said that the goals established by contractors were reported and monitored during the life of the contract.

Ms. Bailor added that LTD typically met or exceeded its DBE goal.

MOTION Mr. Necker moved the following resolution: LTD Resolution No. 2013-2023: Resolved, the LTD Board of Directors hereby adopts a new Disadvantaged Business Enterprise Goal of 3.21 percent, effective August 1, 2013. Mr. Dubick provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Necker, Reilly, Towery, Yeh (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Kilcoyne recognized Ms. Bailor for her efforts to prepare and present the updated DBE program and goal before the Board's summer break.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: There were no additional remarks or questions.

Board Committee Assignments: Ms. Towery briefly reviewed the committee assignments and noted that she had discussed them with individual Board members. No concerns were raised; therefore, assignments were finalized.

Dr. Reilly said that Mr. Yeh would attend the next Lane Council of Governments meeting.

EmX Steering Committee Appointments: Planning and Development Manager Tom Schwetz said that members of the EmX Steering Committee had expressed an interest in adding representatives from the University of Oregon (UO) and Lane Community College (LCC) to the Committee. He said that typically the Steering Committee recruits applicants and makes recommendations to the Board for appointments. He asked if the Board wished to appoint representatives from those two institutions.

Mr. Gillespie, EmX Steering Committee chair, explained that his interest was in having a student representative from UO, LCC, and perhaps a high school, but requiring only two of the three to attend Committee meetings. He felt student representation on the Committee was critical because the West Eugene EmX would connect with the schools and more than 50 percent of riders were students.

Mr. Yeh stated his support for the addition of student representatives.

In response to a question from Dr. Reilly, Mr. Gillespie said that the student representatives would be full voting members and necessary for a quorum. Mr. Schwetz added that some Committee members had suggested that the students be ex officio members, as they tended to be transient in the community, attending scheduled meetings could be difficult, and the positions would need to be refilled often.

Mr. Necker stated his support for ex officio status for student representatives.

Mr. Dubick said that he preferred students be voting members of the Steering Committee. He asked which high school or schools would have representatives.

Mr. Gillespie commented that the Steering Committee generally did not have trouble achieving a quorum at its meetings, and votes were usually not close. He preferred that students be voting members.

Mr. Yeh stated his support for adding student representatives as voting members.

Mr. Schwetz determined there was consensus to add student representatives to the EmX Steering Committee as voting members. He said that staff would proceed with recruitment of UO and LCC representatives and would develop more information regarding adding high school students.

Mr. Gillespie thanked staff for their efforts.

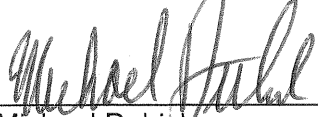
Summer 2013 Board Meetings: Mr. Kilcoyne said that staff reported there was no pressing business anticipated for the Board during July and August, and he asked if there was any objection to canceling those meetings. He said that if any items arose prior to September that required action, a special meeting would be scheduled.

In response to a question, Mr. Kilcoyne said that he did not expect the vacant Board position to be filled until September or October. There was a consensus among Board members to cancel the July and August Board meetings. Mr. Kilcoyne added that informational packets containing the department reports and Board committee reports, would be sent in lieu of a regular meeting packet.

Monthly Financial Report: Ms. Hellekson said that at 11 months into the fiscal year, there was no bad news. Payroll tax receipts through May exceeded budget by a small amount, and other resources looked good. Personnel services were under control, and fuel costs had dropped again. She said that ridership figures were still soft, and staff were developing strategies for increasing ridership. She added that a draft financial report for the fiscal year would be available by the end of July, and a final audited report would be provided in the fall.


ADJOURNMENT: Ms. Towery adjourned the meeting at 6:40 p.m.

LANE TRANSIT DISTRICT



Michael Dubick
Board Secretary

ATTEST:



Jeanne Schapper
Clerk of the Board

Approved: September 18, 2013