

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

Wednesday, November 18, 2009

Pursuant to notice given to *The Register-Guard* for publication on November 12, 2009, 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/work session on Wednesday, November 18, 2009, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President, presiding
Greg Evans, Vice President
Michael Dubick
Dean Kortge, Secretary
Ed Necker, Treasurer
Doris Towery
Gerry Gaydos
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER/ROLL CALL – Mr. Eyster convened the meeting and called the roll at 5:30 p.m.

WORK SESSION

Gateway EmX Extension Project Update – Facility Services Manager Charlie Simmons stated that the project had begun in 2001, and construction was nearly 50 percent complete. He used aerial photographs of the route to illustrate minor changes to routing.

In answer to Mr. Evans question, Mr. Simmons replied that there would be eight vehicles on the 80-minute loop in order to maintain frequency of service when the second EmX corridor begins operating.

Mr. Eyster asked if the route changes along West 11th Avenue would require a public participation process. Mr. Simmons replied that the changes would not create any major impacts, and he did not believe a public process was necessary; however, staff had been in contact with Selco Community Credit Union and City traffic engineers regarding the proposed changes.

Mr. Simmons described the temporary connection at the northeast end of the EmX loop and said that it would be in place until PeaceHealth built a permanent connecting road, which would likely occur within a three- to seven-year timeframe. He added that the station on the north side of Harlow Road was being moved slightly and that a High-Intensity Activated Crosswalk (HAWK) signal would be installed at the intersection of Pheasant Boulevard and Harlow Road. He then demonstrated how the signal would function. He also described planned changes to the Springfield Station that are being made to better accommodate EmX and other service.

In conclusion, Mr. Simmons summarized that there were no changes to the project's bottom line, although there have been some shifting of funds among budget categories. He added that of the 41 property acquisitions for the project, 35 properties had been acquired to date and agreements reached on two others. He then reviewed the project schedule and showed slides of various construction activities.

Fleet Maintenance Building Expansion Update – Mr. Simmons stated that the project budget was \$4,440,366, and Fortis Construction had been hired as the construction management/general contractor. He said that he was pleased with Fortis' performance and noted that more than 80 percent of the subcontractors on the project are local; although, despite aggressive recruitment, only one was a Disadvantaged Business Enterprise (DBE). He said that 8 percent of the Gateway EmX contractors are DBEs.

Mr. Simmons reviewed the project schedule and phasing plan. He estimated completion by April or May 2010. He illustrated the modifications that would be made to the fleet maintenance building in order to accommodate more articulated vehicles.

TOUR OF FLEET MAINTENANCE BUILDING – The Board toured the fleet maintenance building from 6:10 p.m. to 6:30 p.m.

EMPLOYEES OF THE MONTHS – NOVEMBER AND DECEMBER 2009 – Transit Services Manager Sue Quick introduced Bus Operator Seth Hamlin, November Employee of the Month, and Bus Operator Kim Seiders-Baxter, December Employee of the Month. Mr. Eyster presented Mr. Hamlin and Ms. Seiders-Baxter with pins, letters of recognition, and certificates in appreciation for their achievements. Both recipients thanked the Board and expressed their appreciation for having LTD as an employer.

AUDIENCE PARTICIPATION – Mr. Eyster determined that there was no one who wished to speak.

PRELIMINARY REMARKS BY BOARD PRESIDENT – There were no preliminary remarks.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – General Manager Mark Pangborn noted that a second Budget Committee appointment would be added in addition to the one mentioned in the Consent Calendar.

BOARD CALENDARS – Mr. Pangborn highlighted various items on the Board calendars, particularly the Strategic Planning Session with Budget Committee members on December 7. He said that it was possible that the December 16 Board meeting would be canceled if there were no agenda items requiring action from the Board.

Mr. Evans stressed the importance of working closely with Lane County commissioners to educate them about the EmX system and the West Eugene Corridor.

ITEMS FOR ACTION AT THIS MEETING

MOTION Consent Calendar – Mr. Gaydos moved adoption of LTD Resolution 2009-024: It is hereby resolved that the Consent Calendar for November 18, 2009, is approved as presented. Mr.

Kortge provided the second. The Consent Calendar consisted of the minutes of the September 16, 2009, Regular Board Meeting; October 21, 2009, Canceled Regular Board Meeting; and appointment of Dwight Collins to the Budget Committee.

VOTE The Consent Calendar was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

MOTION Mr. Dubick moved to appoint Edward Gerdes to the Budget Committee. Mr. Gaydos provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Special Transit Operations and Jobs and Transportation Act Transit Program Grant Applications for 2009-2011 Biennium - Accessible Services Program Manager Terry Parker highlighted the materials provided in the agenda packet, stating that the Oregon 2009 legislature through the *Special Transportation Operating Program* and the *Jobs and Transportation Act Transit Program* made available a combination of state and federal funds for older adults and people with disabilities. She said that a number of projects already had been approved by a grant review committee composed of members of the Accessible Transportation Committee. She asked the Board to approve the review committee's recommendations.

MOTION Mr. Gaydos moved approval of LTD Resolution 2009-025: It is hereby resolved that the LTD Board of Directors approves the LTD Consolidated Applications for Special Transportation Operations and Jobs and Transportation Act Transit Program for Fiscal Year 2010 through Fiscal Year 2011 as submitted. Mr. Evans provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

LTD Salaried Employees' Retirement Plan Amendment – Director of Human Resources and Risk Management Mary Adams explained that the amendment would establish a program that allows employees to retire, but to continue to work up to an additional 1,039 hours after retirement when it is in the best interest of the District. She said that the practice is common for public employees covered by the Oregon Public Employees Retirement System (PERS). She added that under the amendment, the practice would expire on December 31, 2010. The Internal Revenue Service (IRS) was implementing new regulations effective January 1, 2011, that could affect an employer's ability to employ someone beyond the retirement date. She introduced Everett Moreland, Hershner Hunter Attorneys, who provided further details on the proposed amendment.

Mr. Moreland described the current provisions that allow for retirement at age 60, or at 56 with 30 years of service. He stated that there was some risk involved if employees retired under the amendment during 2010 since this type of provision was not yet approved by the IRS. Risks may include an amnesty fee that would have to be paid, along with associated legal fees.

Mr. Kortge asked who would be responsible for paying the fee. Mr. Moreland replied that the fee was a negotiated amount and would have to be paid by LTD, but legal fees would be paid by the plan once the amendment was adopted. He explained that the employee could also be faced with repayment of up to six months of benefits to the plan. The Board would need to decide if the ability to retain an employee for a period of time after retirement was worth the financial risk. He said that the amendment would be submitted to the IRS in late 2010, but it could take three to four years before there was a final decision.

MOTION Mr. Kortge moved approval of LTD Resolution 2009-027: The LTD Board of Directors hereby approves the Seventh Amendment to the Lane Transit District Salaried Employees' Retirement Plan as stated in the attached document and directs the General Manager to sign the Seventh Amendment on behalf of LTD.

In response to a question from Mr. Gaydos, Ms. Adams said that she believed the amendment would provide the District with some flexibility that it currently did not have, and that would be a benefit.

Mr. Gaydos seconded the motion.

Ms. Towery commented that the amendment represented a common practice among public employers.

Mr. Dubick added that the practice often resulted in cost savings to public agencies by retaining expertise during a transition period while not contributing to a retirement plan on the retiring employee's behalf. He doubted that the IRS would disapprove of the amendment, given its approval of similar provisions in other plans.

Mr. Evans called for the question.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Pension Plan Trustee Appointment – Ms. Adams stated that Mr. Kortge, currently Pension Trustee-elect, had participated in the necessary training to become qualified as a pension plan trustee.

MOTION Mr. Kortge moved LTD Resolution 2009-028: The LTD Board of Directors hereby approves the appointment of Board Member Dean Kortge to the position of Pension Trustee, to represent the Board of Directors on the Lane Transit District and Amalgamated Transit Union Local No. 757 Pension Trust and the Lane Transit District Salaried Employees' Retirement Plan.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Mr. Kortge said that speakers at a recent training session indicated that 5 percent was a more realistic assumption for the rate of return on pension plans than the 7 or 8 percent assumptions currently being used by plan providers.

Purchase of Property for the Veneta Station and Ride and Park - Assistant General Manager Stefano Viggiano stated that LTD had received a ConnectOregon grant for the development of a station and Park and Ride lot in Veneta. He said that the District had identified a suitable site and a willing seller. He asked the Board to approve the resolution, which would enable the property acquisition to move forward.

MOTION Mr. Gaydos moved approval of LTD Resolution 2009-026 authorizing Lane Transit District to acquire by purchase or by exercise of the Power of Eminent Domain real property necessary for the Veneta Station and Park and Ride lot. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports – Mr. Gaydos commended LTD for its outstanding public outreach with respect to the West Eugene EmX Extension. He added that an office where people could go for information was being established at the Eugene station. He thanked staff for their efforts.

Mr. Eyster said that Eugene City Councilor Andrea Ortiz sponsored a West Eugene EmX public information event at Plaza Latina on November 17. Mr. Eyster reported that the formation of a local Area Commission on Transportation (ACT) was the topic of a meeting held by the Lane Council of Governments. He said that LTD would be a member, but it had not yet been determined if the District would have voting rights on the ACT.

Mr. Eyster said that at a recent meeting of the Land Conservation and Development Commission, LTD's collaboration and the importance of EmX to the transportation system had been praised by both Eugene and Springfield.

Mr. Eyster also reported that the Metropolitan Policy Committee had formed a subcommittee to develop recommendations for State Transportation Improvement Program-Urban priority funding.

Mr. Pangborn reported that the American Institute of Architects had bestowed awards to LTD for its green line shelter design and for the Gateway Station. The District also had received an award from BluePath Directory of Businesses Committed to Accessibility for efforts in the area of accessibility.

Impact of Fares on EmX – Mr. Viggiano presented a preliminary report with a more complete report to be provided in early 2010. He said that October was the first full month of charging fares for the EmX and that ridership was down by approximately 4 percent, which was close to the estimated impact.

In response to questions, Ms. Quick said that spot-checking of fares was being done without increasing security, and there had been few problems to date.

Monthly Financial Report – October 2009 – Director of Finance and Information Technology Diane Hellekson commented that the District was managing expenditures very effectively, but reminded the Board that the fixed-route service had been sustained with a one-time infusion of \$3.2 million in federal stimulus funds. She added that payroll taxes were 12 percent lower than they were last year and that some major adjustments to service would probably be necessary in Fall 2010 to address a potential deficit.

Monthly Department Reports – Mr. Vobora reported that efforts by the private contractor hired by the University of Oregon to implement Civil War football shuttles were going well. He said that 80 buses were being brought in. He then provided an overview of the logistics for game day.

MOTION EXECUTIVE SESSION – Mr. Kortge moved that the Board meet in executive session pursuant to ORS 192.660(2)(i), to review and evaluate, pursuant to standards, criteria, and policy directives adopted by the governing body, the employment-related performance of the general manager of LTD.

VOTE Mr. Gaydos provided the second, and the motion carried as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Executive Session began at 7:38 p.m.

RETURN TO REGULAR SESSION – The Board returned to open session at 8:20 p.m.

ADDITIONAL ANNOUNCEMENTS – Mr. Eyster announced that efforts were being made through the Metropolitan Policy Committee to form a committee that will choose a locally preferred alternative for the West Eugene EmX Extension. LTD Board members Mike Eyster, Dean Kortge, and Greg Evans will serve on the committee.

ADJOURNMENT - Mr. Eyster adjourned the meeting at 8:22 p.m.



Board Secretary