



LANE TRANSIT DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE MEETING

Monday, November 11, 2019
4:00 p.m. – 5:00 p.m.

LTD Board Room
3500 E. 17th Avenue, Eugene
(Off Glenwood Blvd. in Glenwood)

AGENDA

<u>Time</u>	<u>ITEM</u>	<u>Page</u>
4:00 p.m.	I. CALL TO ORDER	
	II. ROLL CALL	
	<input type="checkbox"/> Emily Secord <input type="checkbox"/> Joshua Skov <input type="checkbox"/> Carl Yeh	
	III. COMMENTS FROM THE CHAIR	
	IV. ITEMS FOR ACTION	
4:05 p.m.	A. APPROVAL OF MINUTES	2
	Action Needed: Approval	
	<i>Approve minutes from the October 7, 2019, meeting</i>	
	V. ITEMS FOR BOARD RECOMMENDATION	
4:15 p.m.	A. CONTRACT NO. 2019-45: HARVEY AND PRICE CO. [Sonny Melhorn]	5
4:25 p.m.	B. CONTRACT NO. 2019-95: PDS [Robin Mayall]	7
4:35 p.m.	C. FINANCE COMMITTEE BYLAWS [Aurora Jackson]	9
5:00 p.m.	VI. ADJOURNMENT	

The facility used for this meeting is wheelchair accessible. To request a reasonable accommodation or interpreter, including alternative formats of printed materials, please contact LTD's Administration office no later than 48 hours prior to the meeting at 541-682-5555 (voice) or 7-1-1 (TTY through Oregon Relay).

MINUTES OF FINANCE COMMITTEE MEETING

LANE TRANSIT DISTRICT

Monday, October 7, 2019

Pursuant to notice given to *The Register-Guard* for publication on October 4, 2019, and distributed to persons on the mailing list of the District, the Finance Committee of the Lane Transit District held a meeting on Monday, October 7, 2019, beginning at 4:00 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Carl Yeh, Chair
Emily Secord (via teleconference)
Josh Skov (via teleconference)
General Manager Aurora Jackson
Assistant General Manager Service Delivery Mark Johnson
Kristin Denmark, General Counsel
Director of Specialized Services Cosette Rees
Director of Business Services Collina Beard
Accessible Services Specialist John Ahlen
Director of Fleet Management Matthew Imlach
Camille Gandolfi, Clerk of the Board

CALL TO ORDER/ROLL CALL — Mr. Yeh called the meeting to order and called the roll.

COMMENTS FROM THE CHAIR — Mr. Yeh asked committee members to forward to him any questions they had related to materials in the agenda packet and he would forward those to staff so they could prepare responses.

MOTION APPROVAL OF MEETING MINUTES — Mr. Skov moved to approve the minutes of the September 9, 2019, Finance Committee meeting as presented. M. Secord provided the second.

VOTE The motion passed as follows:
AYES: Skov, Secord, Yeh (3)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR BOARD RECOMMENDATION

Amendment: Intergovernmental Agreement (IGA) No. 2019-07: City of Cottage Grove — Mr. Ahlen used a slide presentation to provide an overview of the mobility on demand, origin to destination service in Cottage Grove. The Cottage Grove pilot project was an origin to destination service using new technology application called TransLoc. Users could also book trips on the LTD website or by phone. He said the service operates Monday through Friday from 7:00 a.m. to 7:30 p.m. He said the fare was \$1.00, although anyone with an LTD pass could ride free. He said a second vehicle was added during peak hours, wait time was typically under 10 minutes and as ridership and efficiency increased the cost of the service decreased. He said there were plans to include the service in LTD's new TouchPass electronic fare system. He shared ridership data and said the service was becoming more popular over time.

Mr. Ahlen said the amendment would address changes in service, including adding a second vehicle during peak service hours as demand increased and extend the pilot project timeline from 12 months to August 8, 2020, in order to collect more data and align the timeframe with that of the downtown Eugene mobility on demand pilot EmGo. He said the new cost would exceed the general manager's authority threshold and require Board approval.

Ms. Secord asked if the amendment would have any unintended consequences to grants. Mr. Ahlen replied that State Transportation Improvement Fund (STIF) mobility on demand funding requests and IGAs with Cottage Grove and the City of Eugene had been reviewed during preparation of the amendment and the extension was contingent on availability of funding. His expectation was that funds would be available to support the pilot program through the extension period.

Mr. Yeh asked how the cost per boarding for the connector service compared to the cost of previous service in Cottage Grove. Ms. Jackson said it was an entirely new service and there were no Cottage Grove comparators. Paratransit was \$30-35 per boarding and that was used as a comparator. Mr. Ahlen said paratransit was a mandatory service and the connector offered another option to older adults and those with disabilities at a much lower cost. It also increased independence for those riders. He stressed the connector service did not replace paratransit.

Mr. Johnson said the average cost per board for the fixed route system was about \$5.50. The Cottage Grove connector was somewhat more expensive, but far less costly than paratransit.

Mr. Skov said he would reserve comments and questions on the pilot projects for a discussion with the full Board.

MOTION Ms. Secord moved to forward the amended Intergovernmental Agreement (IGA) No. 2019-07 to the Board of Directors with a recommendation for approval. Mr. Skov provided the second.

VOTE The motion passed as follows:
AYES: Secord, Skov, Yeh (3)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Amended Contract No. 2014-02: New Flyer of America, Inc. — Mr. Imlach stated that the contract amendment would allow time for the purchase of additional buses. The current contract was for a total of 20 buses, of which seven had been purchased. Staff was reviewing the Community Investment Plan (CIP) looking forward and the extension would allow additional bus rapid transit (BRT) vehicles to be purchased for the fleet. He said BRT accounted for 37.5 percent of passenger boardings and was a critical service. He said staff recommended approval of the amendment.

Mr. Skov asked for clarification of the connection between the original contract price of buses and the increased price under the amendment. Ms. Beard said the original contract with New Flyer was fixed cost with price escalation based on the Producer Price Index (PPI) for subsequent orders. She said a final vehicle price would not be determined until a master resolution list was developed, but it would not exceed the projected cost.

Mr. Skov said the information contained in the agenda item summary (AIS) did not specify the cost of the bus, which made it difficult for him as a Finance Committee member to review that.

Mr. Yeh reminded the committee that it was approving only the extension of the contract and not the purchase of buses. Ms. Beard said the request was only to extend the term of the contract so LTD could place an order. She said the Economic Impact section of the AIS provided financial context for the amendment request.

Ms. Denmark asked if the order would be placed under the current term of the contract. Ms. Beard said that was correct and the contract was initiated before the Board had established new procurement policies and procedures related to oversight of the purchasing process. Authorization for the expenditure of funds to purchase additional buses was already in the CIP and the contract extension was coming to the committee in the interests of transparency.

Ms. Denmark said she was comfortable the amendment complied with Oregon law as long as the order was placed within the original term of the contract.

Ms. Beard said seven of the original 20 buses authorized under the contract had been purchased and the intent was to place an order for another five to seven buses prior to the original expiration date of October 22, 2019. If additional funds were identified, the extension would allow them to be order from the current contract instead of issuing a new solicitation and create a delay of 9-10 months.

Ms. Denmark expressed concern that additional orders beyond the original expiration date might be prohibited and she would research the matter.

In response to a question from Ms. Secord, Ms. Jackson said the planned order would occur within the existing contract term and no additional order would be placed during the extension period unless legal counsel advised that it was permissible.

MOTION Mr. Yeh moved to forward Contract No. 2014-02 to the Board of Directors with a recommendation for approval pursuant to legal counsel advice on the matter. Mr. Skov provided the second.

VOTE The motion passed as follows:
AYES: Secord, Skov, Yeh (3)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

In response to a question from Mr. Skov, Mr. Yeh said his request for calculations related to the new cost of a bus under the contract had been forwarded to staff for response.

ADJOURNMENT — Mr. Yeh adjourned the meeting at 4:45 p.m.

Recorded by Lynn Taylor



AGENDA ITEM SUMMARY

DATE OF MEETING: November 11, 2019

ITEM TITLE: CONTRACT NO. 2019-45: HARVEY AND PRICE CO.

PREPARED BY: Sonny Melhorn, Facilities Service Specialist

DIRECTOR: Joe McCormack, Director of Facilities Management

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE: To authorize the general manager to enter into contract with Harvey and Price Co. To satisfy the need for service, repair and replacement of district H.V.A.C equipment.

ROLE OF THE BOARD: In accordance with LTD Resolution No. 2017-03-15-011, the Board must review and approve all contracts exceeding \$149,999, and all individual or cumulative contract amendments and change orders that exceed the lesser of \$150,000 or ten-percent (10%) of the initial contract value.

DESCRIPTION/JUSTIFICATION: The purpose of this contract is to maintain the H.V.A.C equipment in a good state of repair providing quality conditioned air to all our district's facilities.

In order to achieve best value in this service contract, the scope of work focuses on tasks that require the highest skill level in the H.V.A.C trade and is concentrated on the districts mission critical equipment. H.V.A.C minor maintenance tasks will be performed by the district's Facilities Team. The combination of contracted services and facilities staff duties allows for efficient auditing of contracted services provided.

Consistent with previous district H.V.A.C contracts; preventative maintenance and on-call maintenance duties are included. Preventative maintenance costs are set and corrective maintenance value is determined by what the district has historically paid for these services. The scope of work also requested quotes for replacement heat pump units as needed at Eugene Station. Replacement of some, if not all, of these heat pumps may be needed over the life of the five year contract. Although the labor cost is fixed for all five years, the cost of the heat pump equipment is fixed for one year due to the volatility of the steel and manufacturing markets.

Harvey and Price was selected as a result of a Request for Proposals (RFP) process.

FINANCIAL IMPACT/FUNDING SOURCE: In our goal to improve efficiencies in this contract's scope of work we will see a savings of \$62,838 for preventive maintenance and services for the five year contract. Eugene Station heat pump replacement will have the option to utilize federal funds. All other services provided in the contract will be locally funded; budget in the department Materials and Services.

Five Year Contract Value: \$259,589.00

- Preventative Maintenance Services: \$87,162.00
- On-call Maintenance Services: \$25,000.00
- Heat Pump Replacement: \$147,427.00

CONSIDERATIONS: Staff recommends to approve the proposed multiyear contract with bidder for this service.

ALTERNATIVES:

- Approve as presented
- Don't approve

SUPPORTING DOCUMENTATION: N/A

PROPOSED MOTION: I move to forward contract no.2019-45 to the Board of Directors with a recommendation for approval.



AGENDA ITEM SUMMARY

DATE OF MEETING: November 11, 2019

ITEM TITLE: CONTRACT NO. 2019-95: PDS

PREPARED BY: Christina Shew, Director of Finance; David Collier, Director of Human Resources and Risk Management; Robin Mayall, Director of IT and Strategic Innovation

DIRECTOR: Mark Johnson, Assistant General Manager

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE: To authorize the general manager to execute a new contract with PDS for the purpose of approving the purchase of a new HR/Payroll software.

ROLE OF THE BOARD: In accordance with LTD Resolution No. 2017-03-15-011, the Board must review and approve all contracts exceeding \$149,999, and all individual or cumulative contract amendments and change orders that exceed the lesser of \$150,000 or ten-percent (10%) of the initial contract value.

DESCRIPTION/JUSTIFICATION: The district selected Sage Software's ABRA as an HR/Payroll software in July of 1998 and has performed various upgrades over the past 21 years. In June of this year LTD was notified that ABRA is being retired at the end of 2020, so LTD engaged in a process to procure new HR/PR software. Because of the tight timeline, only products that were available for procurement on competitively-bid State, Federal or cooperative purchasing agreements were considered. In September and October the team assigned to this project, comprised of personnel from the Finance, HR, and IT teams, reviewed demonstrations of six (6) products. After thoroughly evaluating these options, the team narrowed it down to two (2) finalists: Munis by Tyler Technologies, and Vista by PDS Software. These two vendors gave us more in-depth demonstrations of their software, and it was determined that PDS's Vista software provided a more efficient product for LTD with a fuller range of features for our HR and Payroll needs. The following are some of the areas the team scored the six products on: their capabilities, the ability to customize, the reporting and analysis function of the software, the ease and friendliness of the self-service portal, the features available, the ease of integration into other LTD software and future software needs, and the ability of the payroll function to follow our contractual rules.

In addition to the benefits that new software brings to our HR and Payroll teams, it should be noted that this software represents LTD's first large-scale move into cloud-based software for our core systems. As such, it is the first step in our overall Disaster Recovery Plan and removes the burden of backup and recovery of our HR/Payroll functions from our on-premise datacenter.

As to how this project is being funded, IT has several large projects in this year's CIP that are funded. Due to earlier staff shortages, IT included money in those project budgets to hire outside vendors to perform much of the work. Those staff shortages have largely been addressed by hiring our IT Technician, which freed up other staff such as our Systems Engineer and our Applications Administrator to concentrate on these larger projects. Thus, IT has enough money left over from IT-Specific technical projects to cover the HR-Payroll System project, which was also already approved in the CIP but which had been unfunded up to this point.

FINANCIAL IMPACT/FUNDING SOURCE: This is for a three (3) year contract, with the initial year costing \$96,043.00, and \$46,800.00 per year for years two (2) and three (3) for a total contract cost of \$189,643.00. The money is in the approved 2019 CIP under State of Good Repair under Technology Infrastructure and Systems in the Other Software category. It is funded with general funds. LTD staff chose a 3-year contract structure so that

we could remain flexible in the upcoming procurement of ERP (Enterprise Resource Planning) software which is anticipated to occur in the next 3 years.

CONSIDERATIONS: With the knowledge that our ABRA software is being end-of-lifed on December 31, 2020, and that software installations of this nature take many months to complete, the Board is being asked authorize the general manager to enter into a contract with PDS for the procurement of their Vista HR/Payroll software.

ALTERNATIVES:

1. Approve as presented;
2. Make changes and approve as amended;
3. Don't approve

SUPPORTING DOCUMENTATION: N/A

PROPOSED MOTION: I move to forward contract no. 2019-95 to the Board of Directors with a recommendation for approval.



AGENDA ITEM SUMMARY

DATE OF MEETING: November 11, 2019
ITEM TITLE: FINANCE COMMITTEE BYLAWS
PRESENTER: Aurora Jackson, General Manager
DIRECTOR: N/A
ACTION REQUESTED: Committee Discussion

PURPOSE: To provide an opportunity for the Finance Committee members to engage in a discussion about the committee's bylaws.

HISTORY: At the March 21, 2018, Board of Directors' Meeting, the Board approved the bylaws for the Finance Committee. The committee meets monthly on the second Monday of each month and is responsible for reviewing and making recommendations to the Board of Directors regarding contracts that exceed the general manager's delegated authority. The committee consists of three (3) Board members appointed by the Board President.

At the October Finance Committee and then again at the October Board meeting, a request was made for the Finance Committee to review its bylaws. This agenda item is being presented for the purpose of providing an opportunity for the Finance Committee members to engage in a discussion and, if desired, develop a recommendation to the Board of Directors to modify its bylaws.

Staff will provide information for consideration to assist in the committee.

CONSIDERATIONS: With a review of the Committee's bylaws, there is also an opportunity to discuss interest in changing the role and name of the Committee. It is recommended that the committee hold two discussions:

1. Engage in a discussion for opportunities to expand the Finance Committee's role.
2. Engage in a discussion for an opportunity to change the Finance Committee's name.

ALTERNATIVES: N/A

NEXT STEPS: Should the committee determine that it would like to recommend modifications to the Finance Committee's Bylaws and/or name, the recommendation will be scheduled for the December 2019 or January 2020 Board of Directors' meeting, depending on priority of this agenda item against other pending agenda items.

SUPPORTING DOCUMENTATION:

- 1) Finance Committee Bylaws

PROPOSED MOTION: N/A



FINANCE COMMITTEE BOARD SUBCOMMITTEE BYLAWS

ARTICLE I PURPOSE

SECTION 1.1 *Purpose.* The Finance Committee (“Committee”) was established by the Lane Transit District (“LTD” or the “District”) Board of Directors (the “Board”) to review and make recommendations to the Board regarding contracts that exceed the General Manager’s delegated contract authority.

ARTICLE II GOVERNANCE PROCEDURES

SECTION 2.1 *Governance Procedures.* The Finance Committee will comply with Oregon’s Public Meetings Law, Public Records Law, and all applicable governance procedures set forth in the LTD Ordinance Providing Rules for Meetings of the Lane Transit Board of Directors, attached hereto as Exhibit A.

ARTICLE III MEMBERSHIP, COMPOSITION, APPOINTMENT

SECTION 3.1 *Membership.* The Finance Committee shall consist of three (3) Board members. All members of the Committee are voting members.

SECTION 3.2 *Composition.* This section intentionally left blank.

SECTION 3.3 *Appointment.* Appointment to the Committee will be made by the Board president.

ARTICLE IV TERMS OF SERVICE, VACANCIES

SECTION 4.1 *Terms of Service.* Members shall serve for the duration of their Board appointment, or as otherwise determined by the Board president.

SECTION 4.2 *Vacancies.* The Board president shall appoint a Board member to fill any vacancy.

ARTICLE V OFFICERS, DUTIES

SECTION 5.1 *Officers.* The Committee shall choose from among its members, by majority vote of the members, a president to serve a one (1) year term. Terms of office shall begin on the first day of January and end on the last day of December each year. Each member, before entering upon the duties of office, shall take and subscribe to an oath that the member will honestly, faithfully and impartially perform duties as a member and disclose any conflict of interest the member may have in any matter to be acted upon by the Committee.



SECTION 5.2 President. The president, and in the president's absence, a member selected by the members present to act as president pro tem, shall preside at the Committee meetings. The presiding officer shall be entitled to vote on all matters and may make and second motions and participate in discussion and debate.

SECTION 5.3 Vice President. This section intentionally left blank.

SECTION 5.4 Secretary. This section intentionally left blank.

SECTION 5.5 Treasurer. This section intentionally left blank.

SECTION 5.6 Vacancies. In the case of a vacancy in any office other than by expiration of an officer's term, the vacancy shall be filled by election by the Committee members when the need arises and the newly elected officer shall take office immediately upon the occurrence of such vacancy to fill the balance of the unexpired term.

SECTION 5.7 Committee Assignments. This section intentionally left blank.

ARTICLE VI **CODE OF ETHICS AND CONFLICT OF INTEREST POLICY**

SECTION 6.1 Code of Ethics and Conflicts of Interest Policy. Each Committee member, as a member of the LTD Board of Directors, is governed by the Board of Directors Ethics and Conflicts of Interest Policy, attached hereto as Exhibit B, and will complete the Conflicts of Interest Acknowledgment and Disclosure Form annually.

ARTICLE VII **MEETINGS**

SECTION 7.1 Committee Meetings. The Finance Committee will comply with Oregon's Public Meetings Law, Public Records Law, and all governance procedures and meeting requirements set forth in the LTD Ordinance Providing Rules for Meetings of Lane Transit District Board of Directors, attached hereto as Exhibit A. This Article VII is intended to supplement the law and LTD's Ordinances.

SECTION 7.2 Quorum Requirements. A quorum of Committee members is a majority of the Committee members, even if a member is absent or a position is vacant.

SECTION 7.3 Meeting Times. The Finance Committee will meet approximately once a month, in advance of the regular Board meeting. Respect the scheduled starting and ending times for meetings.

SECTION 7.4 Attendance. All Committee members are expected to regularly attend Committee meetings and be fully engaged with minimal distraction (from cell phones, etc.) at regularly scheduled Committee meetings, unless prevented by illness or an unavoidable cause.

SECTION 7.5 Telephonic Attendance. If a Committee member is unable to attend a meeting, there is an option to attend telephonically. A Committee meeting can also be held telephonically, without any members having to physically attend, so long as all the requirements of the Public Meetings Law are still followed (notice, recording, and a location for the public to attend and listen).

SECTION 7.6 Meeting Preparation. All Committee members should prepare for Committee meetings by reading the materials ahead of the meeting and asking questions of the General Manager prior to the day of the meeting, if possible



SECTION 7.7 Committee Meeting Discussion. Committee discussions should be thorough yet concise and pertinent to the issues on the agenda.

SECTION 7.8 Public Participation. Although Public Meetings Law guarantees the public the right to attend all public meetings, it does not provide the public the right to participate. Public testimony is typically not received at Committee meetings, although it is adjustable at the discretion of the president and the Board of Directors.

SECTION 7.9 Scheduling. All Committee members are expected to cooperate in scheduling special meetings and/or work sessions for training purposes.

ARTICLE VIII **VOTING RULES**

SECTION 8.1 Voting. Committee members are expected to cast a vote on all matters except when a conflict of interest arises.

SECTION 8.2 Conflict of Interest. Committee members should be familiar with the Board of Directors Ethics and Conflicts of Interest Policy, attached hereto as Exhibit B. If a Committee member believes he/she may have a conflict of interest, that concern should be communicated with the Clerk of the Board and/or the General Manager in advance of the Board meeting. They may consult with legal counsel.

SECTION 8.3 Voting Requirements. The affirmative vote of a majority of all Committee members (two of three) is required to pass a motion. Even if only two members attend the meeting, two must vote affirmatively to pass the motion.

ARTICLE IX **PUBLIC MEETINGS LAW AND PUBLIC RECORDS LAW**

SECTION 9.1 Legal Requirements. The requirements of Oregon's Public Meetings Law must be followed whenever a quorum of Committee members meet to deliberate toward a decision. All Committee communications are subject to the Public Records Law. This Article IX is intended to supplement the requirements of the Public Meetings Law and Public Records Law.

SECTION 9.2 Serial Communications. If Committee members have serial communications among a quorum of its members, the requirements of the Public Meetings Law apply. A serial communication occurs when Committee member 1 deliberates toward a decision with Committee member 2, which is a quorum of Committee members. While serial communications can take place in person or over the phone, they most often occur via email.

SECTION 9.3 Committee email. The following guidelines apply to use of Committee email:

- a. Committee members should use their LTD email account for all Committee-related business;
- b. Do not reply to Committee emails to deliberate towards a decision that should occur in public session;
- c. "Deliberation towards a decision" can only occur among Committee members. It is acceptable to reply to an email from the General Manager and/or Clerk of the Board, so long as the General Manager and/or Clerk of the Board do not share your opinion with any other Committee members; and



- d. Committee emails are subject to public records request. As a general rule, do not write anything in an email that you would not want printed in the newspaper.

ARTICLE X
SEVERABILITY

SECTION 10.1 *Severability*. If any provision of these Bylaws or its application to any person or circumstances is held invalid, the remainder of these Bylaws, or the application of the provision to other persons or circumstances is not affected.

ARTICLE XI
AMENDMENTS

SECTION 11.1 *Action*. These Bylaws, as adopted by the Board, may be revised or amended at any regular or special meeting of the Board by a vote of the majority of the whole membership of the Board.