



LANE TRANSIT DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE MEETING

Monday, December 09, 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 November 11, 2019, meeting</i>	
	V. ITEMS FOR BOARD RECOMMENDATION	
4:10 p.m.	A. CONTRACT NO. 2018-92: TRANSLOC, INC [John Ahlen]	6
4:30 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, November 11, 2019

Pursuant to notice given to *The Register-Guard* for publication on November 5, 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, November 11, 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)
General Manager Aurora Jackson
Sean Walker, General Counsel
Information Technology and Strategic Innovation Director Robin Mayall
Director of Business Services Collina Beard
Director of Facilities Joe McCormack
Director of Finance Christina Shew
Facilities Service Specialist Sonny Melhorn
Camille Gandolfi, Clerk of the Board

Absent: Joshua Skov

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

COMMENTS FROM THE CHAIR — None.

MOTION APPROVAL OF MEETING MINUTES — Ms. Secord moved to approve the minutes of the October 7, 2019, Finance Committee meeting as presented. Mr. Yeh provided the second.

VOTE The motion passed as follows:
AYES: Secord, Yeh (2)
NAYS: None
ABSTENTIONS: None
EXCUSED: Skov (1)

ITEMS FOR BOARD RECOMMENDATION

Contract No. 2019-45: Harvey and Price Co. — Mr. Melhorn stated that the contract was for H.V.A.C. repair, replacement and service. He said an H.V.A.C. service contract had been in place for a number of years and work was performed at all LTD facilities by the contract rather than LTD staff.

MOTION Ms. Secord moved to forward Contract No. 2019-45: Harvey and Price Co. to the Board of Directors with a recommendation for approval. Mr. Yeh provided the second.

VOTE The motion passed as follows:
AYES: Secord, Yeh (2)
NAYS: None
ABSTENTIONS: None
EXCUSED: Skov (1)

Contract No. 2019-95: PDS — Ms. Mayall said the current payroll software had been in use over 20 years and LTD had been notified that it was being retired at the end of 2020 and would no longer be upgraded or supported, requiring procurement of new software. She explained that the timeline did not allow for a request for proposal process and the purchase would need to be made from a government contract, with as much due diligence as possible. She described the internal process for evaluation of six software programs that could be purchased from a government agreement. Following a thorough analysis Vista software by PDS was selected. She said the contract was for three years as the District was considering replacing its financial system in three years and might want to include payroll software in that system. She said the project was included in the Community Investment Plan (CIP) and funding was available. She requested moving forward with the purchase.

Mr. Yeh asked how the cost of the new program compared to the current software. Ms. Mayall said it was difficult to compare because the current software was old and development had been discontinued some time ago. She said the old program cost about \$10,000 annually and the new program would cost about \$40,000, but it would take the place of some other existing software and had much greater capacity than the current program.

In response to a question from Ms. Secord, Ms. Mayall explained that the IT section was very short-staffed in the past year and there were several critical projects that had to be completed. In order to accomplish the work a contract for IT services was established. When projects were completed and IT fully staffed the unspent contract funds were repurposed for the PDS contract.

Ms. Secord said she was pleased with the number of potential vendors that were considered.

MOTION Ms. Secord moved to forward Contract No. 2019-45 to the Board of Directors with a recommendation for approval pursuant to legal counsel advice on the matter. Ms. Secord provided the second.

VOTE The motion passed as follows:
AYES: Secord, Yeh (2)
NAYS: None
ABSTENTIONS: None
EXCUSED: Skov (1)

Finance Committee Bylaws — Mr. Yeh commented that interest had been expressed in examining the role of the Finance Committee.

Ms. Secord said she felt the committee could use its time differently and better and its discussions could be more interesting and robust.

Ms. Jackson said the Finance Committee's name was somewhat confusing and it could be renamed to something such as the Business Services Committee to better identify its purpose of reviewing agreements for the conduct of the District's contractual and business relationships to assure funds were being spent wisely. She said the bylaws could also be reviewed to determine if the functions of the committee should be revised.

Ms. Secord said she wanted the Finance Committee to be more engaged in the budget process in addition to reviewing contracts.

Mr. Yeh agreed there could be a better way for the Board to be engaged with strategic financial planning and asked if that was something that could be better driven by the Budget Committee. He suggested the Budget Committee could meet more frequently in order to be more involved with financial planning. The Finance Committee was needed to review contracts outside of the general manager's authority in lieu of having that review done by the full Board. He was not opposed to renaming the committee to better define that purpose.

Ms. Secord said her concern with the Budget Committee was that some members did not attend the meetings and the group did not meet often. She said that she felt the Finance Committee was better positioned although she did not have a strong preference.

Mr. Yeh said Budget Committee issues could be remedied and the group could meet more often. He noted that LTD Board members each appointed a Budget Committee member and could discuss with appointees the importance of attending meetings in order to be well informed on District finances. He said the Finance Committee could make a recommendation to the Board about the Budget Committee's engagement with financial planning.

Mr. Walker said that he agreed it was the Board's responsibility to differentiate the duties of its subcommittees and committees.

Ms. Secord said it would be helpful to prepare a presentation for the Board on the subject of the Finance Committee's current activities and what role was being proposed for it.

Ms. Jackson said the Budget Committee currently met once yearly to review the budget and once a year to review the Community Investment Plan (CIP). Another meeting could be added to receive the Comprehensive Annual Finance Report (CAFR), plus an additional meeting to take an overall look at LTD's finances. A proposal could be presented to the Board at its January 2020 meeting and if approved a February Budget Committee meeting would be scheduled.

Mr. Yeh observed it would take some time to get the full Budget Committee up to speed on its new duties.

Mr. Walker cautioned about the Board and Budget Committee delegating any of their duties to other committees. He said by statute only the Budget Committee could take certain actions with respect to the District's finances.

Ms. Secord suggested proposing an enhanced role for the Finance Committee for a six month trial period.

Mr. Yeh said he thought the Budget Committee seemed like the best group to take on more responsibilities and an expanded purpose, but with more guidance on how to carry them out. He said the Finance Committee could outline some things to consider when taking on a larger role.

Ms. Shew said she agreed the Budget Committee was the right group because it made all of the decisions with respect to the budget and capital projects and having a broader financial view of LTD could benefit members.

Ms. Beard said the name of the Finance Committee could be changed to clarify its function and more information could be provided in agenda packets that aligned the contracts and agreements with the District's budget, CIP and once developed the strategic business plan.

Ms. Jackson said she welcomed input from Finance Committee members about how its agenda materials could provide more information such as the source of funds and when and how the project was approved in order to be more transparent.

MOTION Mr. Yeh moved to recommend to the Board that the Finance Committee's name be changed to Contract Review Committee, and that the Budget Committee be asked to convene in February 2020 to begin creating a financial strategy for LTD. Ms. Secord provided the second.

VOTE The motion passed as follows:
AYES: Secord, Yeh (2)
NAYS: None
ABSTENTIONS: None
EXCUSED: Skov (1)

Ms. Jackson said a report on the proposal could be made at the November 2019 Board meeting, with Board action scheduled for the January 2020 meeting.

ADJOURNMENT — Mr. Yeh adjourned the meeting at 4:40 p.m.

Recorded by Lynn Taylor



AGENDA ITEM SUMMARY

DATE OF MEETING: December 9, 2019

ITEM TITLE: CONTRACT NO. 2018-92: TRANSLOC, INC.

PREPARED BY: John Ahlen, Accessible Services Specialist

DIRECTOR: Cosette Rees, Director of Specialized Services

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 an amended contract with TransLoc, Inc. for the purpose of maintaining the technology needs of the Mobility on Demand pilot program.

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 Mobility on Demand pilot projects create new options for riders while encouraging ridesharing and independence for community members. The intention of our contractual agreement with TransLoc is to allow riders to book on-demand transit through a smartphone app, while efficiently dispatching resources according to a TransLoc algorithm.

FINANCIAL IMPACT/FUNDING SOURCE: The proposed contract amendment will amend the contracted not to exceed amount from \$25,000 to \$49,000. This includes the current base rate of \$25,000, adding a \$500 per vehicle per month cost for licensing and support for a maximum of 5 vehicles in simultaneous operation, up to a maximum of 12 additional months. This program is part of Mobility as a Service (Maas) #19-MOBSVC-0301021 in LTD's Community Investment Plan, which is a non-capital improvement project in the Specialized Service budget.

CONSIDERATIONS: LTD contracted with TransLoc, Inc. as a technology solution for mobility on demand. The current 12 month contract with TransLoc, Inc. is set to expire on January 13, 2020, which aligned with the original pilot program for Mobility on Demand in Cottage Grove. On October 22, 2019, the Board approved an extension of the pilot program through August 2020, which aligns the timeline with the mobility on demand pilot program in downtown Eugene. An additional contract extension is therefore necessary with our technology provider throughout the pilot program period.

ALTERNATIVES: (1) deny recommendation of a contract extension, terminating the mobility on demand pilot project on January 14, 2019. (2) deny recommendation of a contract extension, directing staff to pursue an alternative technology provider at a later date.

SUPPORTING DOCUMENTATION: N/A

PROPOSED MOTION: I move to forward the amendment to contract no. 2018-92 to the Board of Directors with a recommendation for approval.