

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, March 20, 2019

Pursuant to notice given to *The Register-Guard* for publication on March 14, 2019, 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, March 20, 2019, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Carl Yeh, President
Kate Reid, Vice President
Josh Skov, Secretary
Don Nordin, Treasurer
Emily Secord
Caitlin Vargas
Steven Yett
A.J. Jackson, General Manager
Dwight Purdy, General Counsel
Camille Gandolfi, Clerk of the Board

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

PRELIMINARY REMARKS BY BOARD PRESIDENT — Mr. Yeh complimented the efforts of LTD staff during the February snow storm.

COMMENTS FROM THE GENERAL MANAGER — Ms. Jackson also commended staff for their work during the snow storm. She said services were suspended for one day while staff cleared snow from bus stops and walkways and despite difficult travel conditions LTD staff still came to work.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — There were no announcements or changes to the agenda.

BOARD CALENDARS — Ms. Jackson reviewed upcoming events and noted that the LTD Budget Committee would meet in April, as would the Board's Human Resources Committee.

EMPLOYEE OF THE MONTH – APRIL — The Board recognized Bus Operator Sherry Watson as the April 2019 Employee of the Month. Mr. Yeh presented Ms. Watson with her award and thanked her for her outstanding service and dedication to LTD's mission. Ms. Watson thanked the Board for her award and said her 29 years of employment with LTD had been a gift in her life. She said that she was grateful for the strength, commitment, and camaraderie of her fellow employees.

AUDIENCE PARTICIPATION — Mr. Yeh explained the procedures for providing public testimony.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), distributed an Executive Summary of BEST's recommendations on Transit Tomorrow and developing a

business plan. He said the Board would be making decisions on what to do and why. He said choosing a high ridership network would be controversial because some people would lose service; but choosing coverage would also be controversial. It was important for the Board, as community leaders, to think about how its decision on LTD's direction would be explained to the community. He said BEST's executive summary contained a number of suggestions on how to approach that issue. He said LTD served the triple bottom line of social equity, economic development, and environmental sustainability. There were ways to bring the community together around the Board's decision by explaining how it would benefit the community.

Marianne Nolte, Eugene, representing BEST, stated that BEST's recommendations were developed through community discussions of values. She commended the recent Strategic Planning Committee meeting during which members formed work groups to discuss community values and how Transit Tomorrow reflected those values. She said the participants at that meeting achieved consensus on a number of issues that was consistent with what BEST had been hearing from community members.

ITEMS FOR ACTION AT THIS MEETING

Public Hearing: State Transportation Improvement Fund (STIF) Applications — Director of Planning and Development Tom Schwetz said that Kate Wilson with Lane Council of Governments (LCOG) would participate via conference call. Ms. Wilson and other LCOG staff had facilitated the work of the STIF Advisory Committee. He said if approved by the Board at its April meeting, the STIF applications would be submitted to the state for funding consideration.

Ms. Wilson briefly summarized the process for allocation of formula transit funds authorized by HB 2017. She described outreach to transportation providers to solicit projects for review and prioritization by the STIF Advisory Committee. She reviewed the in-District 100 percent project list and the out-of-District 100 percent project list. She said 130 percent lists were developed for both in-district and out-of-district projects in the event additional STIF revenue became available. She said the Board would be asked to approve the STIF Advisory Committee's recommendations at its April 2019 meeting. She said the public comment period opened on March 18 and would close on April 17.

Mr. Skov asked for clarification on LTD's in-district 130 percent project. Mr. Schwetz said the project would use STIF funds to match federal funds for the purchase of additional buses.

Mr. Skov asked if there were any concerns with the Oregon Department of Transportation (ODOT) approving the recommended projects. Mr. Schwetz said LTD was submitting its projects during the second application round. The project involved ODOT reviewing applications for form and required information. He said some applicants in the first round had to answer additional questions, but he was not aware of any problems with funding once issues were resolved. He said second round applicants learned from their peers who went first.

Mr. Nordin asked if the federal funds were aspirational or guaranteed. Assistant General Manager Service Delivery Mark Johnson said the federal dollars to be matched were either formula funds or no/low emission grant funds.

Mr. Yeh opened the public hearing and provided instructions on how to provide testimony. He determined there was no one wishing to speak and closed the hearing.

Mr. Skov said over time people would realize they were contributing to STIF revenue and be more interested in how funds were used. He said the employee tax was reasonable and transit is

a good use of the funds. He commended the STIF Advisory Committee for the thought and care that went into the project vetting process.

Mr. Yeh said that he agreed with Mr. Skov and also thanked the STIF Advisory Committee for their efforts.

Ms. Reid said the selection process for the STIF Advisory Committee resulted in a wide breadth of voices in the discussion of projects. Committee members would be good resources in responding to community interest in STIF-funded projects.

Public Hearing: Proposed Supplemental Budget - Medicaid Fund — Director of Finance Christina Shew stated this was the second public hearing for the Medicaid Fund supplemental budget to increase the Medicaid spending appropriation by \$1.4 million to cover increased costs and that would be offset by Trillium reimbursements. The second part of the supplemental was an increase in transfer from the General Fund of \$369,000. She said the transfer was a conservative and proactive measure because of a beginning working capital of zero due to timing of claims denials. She said over \$1 million in rejected claims had been resubmitted and expected that at least half of those would be paid and the transfer would not be necessary.

Mr. Yeh opened the public hearing. He determined there was no one wishing to speak and closed the hearing.

MOTION Ms. Secord moved adoption of LTD Resolution No. 2019-03-20-009: It is hereby resolved that the LTD Board of Directors approves the Fiscal Year 2018-2019 Supplemental Budget for the Medicaid Fund as presented. Ms. Reid provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

MOTION **Consent Calendar** — Ms. Vargas moved adoption of LTD Resolution No. 2019-03-20-010; It is hereby resolved that the Consent Calendar for March 20, 2019, is approved as presented. Mr. Skov provided the second. The Consent Calendar consisted of the Minutes of the February 19, 2019, Joint Eugene City Council Work Session; Minutes of the February 20, 2019, Special Board Meeting/Work Session; Minutes of the February 20, 2019, Regular Board Meeting; Delegated Authority Report - February; Budget Committee Vacancy Member Nomination; Contract No. 2019-08: Brown Contracting; Contract No. 2019-03: Wyatt's Tire Services; and Board Travel and Reimbursement Policy.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Adoption: Supplemental Budget - General Fund — Ms. Shew said a public hearing was not required because the supplemental budget fell below the 10 percent threshold. She said there were two components to the request. The first was to eliminate the transfer to the Capital Projects Fund from the General Fund because the beginning working capital in the Capital Projects Fund exceeded the match required. This also meant the operating reserve was restored to the two month level required by policy. She said the second component was an increase to

the General Fund expenditures appropriation of \$1.9 million. She said the increased expenditures appropriation was covered by the elimination of the transfer to the Capital Projects Fund.

Ms. Shew said increased General Fund spending was caused by three factors:

- Increased overtime - aging buses requiring more maintenance hours, more operators on light duty, high staff turnover, and testing and training on the new electric buses
- Retirements - double the number of retirements from last year
- Parts and training - increased costs for replacement parts for aging buses, training replacements for retirees

MOTION Ms. Reid moved adoption of LTD Resolution No. 2019-03-20-016: It is hereby resolved that the LTD Board of Directors adopt the Fiscal Year 2018-2019 Supplemental Budget for the General Fund as presented. Mr. Skov provided the second.

VOTE The resolution was adopted as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Adoption: Contract No. 2018-16: Ogletree, Deakins, Nash, Smoak & Steward — Director of Human Resources David Collier explained that LTD had used the services of Attorney Jackie Damm since 2003 for labor contract negotiations and labor-related legal issues. He said Ms. Damm had recently moved to the firm of Ogletree, Deakins, Nash, Smoak & Steward. A sole source contract award was requested to maintain continuity and consistency in labor negotiations.

Mr. Purdy stated that Oregon law allowed a sole source contract without competitive bidding if the Board adopted certain findings related to the award.

Mr. Skov said the award had been discussed in detail by the Finance Committee, which recommended approval of the contract to maintain flexibility in the long-term and in the short-term support staff needs. The full discussion could be reviewed in the minutes of the Finance Committee's March 11, 2019, meeting.

Ms. Reid read the *Proposed Findings of Fact for Awarding a Contract for Good and/or Services without Competition and Through a Sole-Source Procurement* into the record.

MOTION Ms. Reid moved to adopt the Findings of Fact as presented. Ms. Secord provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

MOTION Ms. Reid moved adoption of LTD Resolution No. 2019-03-20-013: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves Contract No. 2019-16 as presented. Mr. Skov provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Adoption: Fare Policy Low-Income and Student Fare Subsidy Programs — Ms. Jackson distributed a revised version of LTD Resolution No. 2019-03-20-017. She said recommendations of the Ad Hoc Fare Policy Committee were presented to the Board in November 2018 and she was directed to move forward with the proposals. She said school districts and key interested parties had been engaged in discussions of the two programs and based on their feedback, the student program was modified. The original proposal was for free passes for children elementary age and younger for the entire calendar year, while middle and high school students would have passes for the duration of the school year. School districts requested providing passes year round to all students K-12. If the Board approved the modification, staff would proceed with the public review process, schedule a public hearing on the matter at the April Board meeting and request adoption of the resolution at the May Board meeting.

Ms. Jackson said the Finance Committee had reviewed the proposed contract award for a new fare collection system to Delerrok, Inc. and recommended Board approval. She said if the Board approved the contract, there were features of the new system that, if implemented, would result in changes to the current fare policy. She said that would be explained during the contract presentation later in the meeting, but examples included fare capping and 30-day passes. The Board could choose to delay an implementation decision on certain features of the new system until its April meeting.

Ms. Secord asked if changes to the K-12 pass program would impact the use of STIF funds and whether the program was sustainable. Ms. Jackson said currently LTD participated in the 1Pass program with the City of Eugene and Willamalane Park and Recreation District. That resulted in low revenue during the summer months. She said the new student program would be phased in by the school districts and would not have an impact on the current applications for STIF money, although it could have an impact on future applications. She said the program would become effective in September 2019 and thus not affect revenue during the coming summer months.

Ms. Reid said the Ad Hoc Committee did discuss retaining the 1Pass program for at least the first year and it appeared LTD would still be interested in partnering in the program and supporting it publicly, with marketing costs to be reimbursed by the other partners. She said there would be greater flexibility with fare policy as LTD moved forward.

In response to a question from Ms. Vargas, Ms. Jackson said the Board had direction that funding to non-profit agencies for the low-income pass program be increased from \$250,000 to \$750,000. The current program sold passes to agencies at a 50 percent discount; a \$50 pass was sold for \$25. Under the Board's direction, a \$50 pass would now be sold for \$12.50. The program was supported by STIF dollars and once the \$750,000 was exhausted, pass sales would stop. She said non-profits could choose to purchase double the amount of passes or continue at their present level and realize a cost savings.

Ms. Reid said there were never enough passes to meet the needs of community partners and providing two passes instead of one for \$25 was an effort to meet that need. Mr. Yeh added that many agencies were likely to stay at their current budget level and obtain twice the number of passes.

Mr. Skov said LTD needed better data on how the passes were used and the new fare management system would provide that. He said having better information on pass usage would allow LTD to be more deliberative about providing subsidies.

Ms. Vargas asked if information on the use of passes was currently collected. Ms. Jackson said LTD had agreements with agencies on how the passes should be used, but there was no enforcement mechanism for auditing use.

Mr. Nordin reported on a discussion with a rider who was pleased with the idea of fare capping.

MOTION Mr. Nordin moved adoption of LTD Resolution No. 2019-03--017: It is hereby resolved that the LTD Board of Directors approves the staff recommendation for the Low-Income and Student Fare Subsidy Program as presented. Ms. Vargas provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Board Decision: Transit Tomorrow Scenarios Direction — Mr. Schwetz introduced Amy Cabbage, vice chair of the Strategic Planning Committee (SPC).

Ms. Cabbage said the SPC focused its March 5 meeting on a discussion of Transit Tomorrow with the goal of reaching consensus on meaningful recommendations to the Board. She thanked staff for facilitating the efforts of small work groups and assisting the committee in formulating its recommendations. She said two questions were posed to the committee:

- What outcomes and values should be considered as advice for the Board?
- How should fixed route resources be allocated to achieve the desired outcomes?

Ms. Cabbage described the committee's process and the issues discussed in relation to the questions posed. She said there was a recognition for the need to manage the transition when making such a large change and regardless of what scenario the Board selected there would be loss of access for some individuals. How to address the needs of those losing access or facing mobility challenges should be considered when implementing change.

Ms. Cabbage said consensus reached by the group was relatively easy, with clear support for increasing service during evenings and weekends. She said the committee also strongly supported a move toward a high ridership network, which would also help achieve many LTD and community goals. She said the committee recommended devoting 80-90 percent of resources to ridership, with the remainder allocated for rural services.

In response to a question from Mr. Nordin, Ms. Cabbage said some residents of affordable housing did own vehicles, but many had disabilities. She said most affordable housing was located within a reasonably walkable distance to transit.

Mr. Skov thanked the SPC for its efforts and noted that obtaining feedback from a wide range of community perspectives was the reason the committee existed. He said during the Board's discussions of Transit Tomorrow, a high ridership network was favorably viewed, but there was trepidation about leaving behind people who currently relied on transit in coverage areas from which LTD would retreat. He asked how SPC members had responded to that concern.

Ms. Cabbage said there had been some discussion of mobility-on-demand (MOD) as an option.

Mr. Skov remarked that MOD was one manifestation of a not yet fully developed spectrum of possibilities.

Ms. Reid pointed out that the STIF plan included elements for mobility as a service; MOD was one version of mobility as a service. She said the plan included \$875,000 operating assistance for mobility as a service and \$350,000 for planning. She said it was an opportunity for community engagement as a part of the mobility as a service planning process.

Mr. Schwetz distributed and reviewed an updated version of Resolution No. 2019-03-20-018, based on the Board's discussion at its March 18 work session. He said the resolution would direct staff to develop a fixed-route service scenario for the Eugene-Springfield metropolitan area that focused 80-85 percent of the metro area resources on high ridership, with up to five percent of metro resources being focused on non-fixed-route mobility options. He also distributed a table showing the redistribution of metro resources in a high ridership scenario. Based on the Board's decision, a core design workshop would begin on March 21. He said the workshop would be two days and reports on results would be available at the end of each day.

Ms. Vargas asked why the allocation of five percent for mobility options had not been discussed earlier as it did not appear in the original resolution. Mr. Schwetz said the allocation had been discussed at the Board work session and staff updated the resolution to reflect the direction of the Board. Ms. Jackson said staff had not anticipated the Board's consensus on several issues and the original Board agenda material assumed that a number of options would be discussed. After the March 18 work session, the Board's preferences were clear so some options were removed in the updated materials; the Board did not need to repeat its work session conversation. Those options could still be put forward for discussion if the Board wished.

Ms. Reid said the five percent allocation was a new piece of the scenario, but it had been part of SPC and BEST conversations over time about loss of coverage and the need for mobility services. Mr. Skov added that while there was consensus on a general direction for fixed route service, the allocation acknowledged the need to seek new options for coverage.

Ms. Secord noted that 80-85 percent for ridership was also suggested by the Transit Tomorrow consultants.

Mr. Skov said the Board's decision would be a general sense of direction to staff and consultants who would develop the details for consideration by the Board.

MOTION Mr. Skov moved to adopt LTD Resolution No. 2019-03-20-018: It is hereby resolved that the LTD Board of Directors adopt a resolution as amended providing direction on a fixed route service scenario for the Eugene/Springfield metropolitan area. Mr. Nordin provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Yeh, Yett (6)
NAYS: Vargas (1)
ABSTENTIONS: None
EXCUSED: None

Adoption: Contract No. 2019-05: Delerrok, Inc. - Fare Collection System — Director of Customer and Specialized Services Cosette Rees said one of the goals for a new fare management system was to simplify the fare system for both operators and riders.

Information Technology Director Robin Mayall said five proposals were received in response to the request for proposals (RFP) and those were narrowed to three highly scored applicants who made presentations about their systems. Eventually, Delerrok was selected as the most comprehensive solution that included the most features LTD wanted to offer the community.

Ms. Mayall said Delerrok had a depth of experience in fare collection, applications, and computer system design. She said Delerrok's TouchPass system was a software as a service model that rolled out new features seamlessly and allowed customers to choose whether or not to use a feature. She said the software was highly configurable and LTD could decide what features to implement and how to use them. She said the system offered many flexible fare payment options and enabled tracking of fares through the system.

Ms. Mayall explained the features that were particularly important to LTD, such as:

- Configurable platform
- Flexible fare payment options
- Account-based, which allowed customers, non-profits, and retailers to self-manage their fares
- Cloud-based platform processing fares in real-time and allowing for storage of transactions when a system was not online

Ms. Rees said other critical features were:

- Expandable to other services, such as paratransit
- Flexible for off-board special event service fare collection
- Customizable to incorporate the "look" of LTD's brand
- Extensive reporting capabilities to better inform decisions about the system
- Off-line fare validation during lost connectivity
- Very customer friendly, providing riders with information about fares and account balances
- Flexible fare and policy options

Ms. Rees explained that one option of the new system was fare capping, allowing a customer who did not have enough money at one time to purchase a \$25 or \$50 pass and bought day passes or single fares. That person lost out on the benefits of being able to purchase a discounted monthly pass. Fare capping would allow a person to purchase individual trips until they reached an amount equivalent to the cost of a pass, and then ride free for the remainder of the month, which could be defined as a calendar month or rolling 30-day period. She said Delerrok was in the final stages of finalizing a retail partnership that would include 70 retailers where people could recharge their smart card or mobile applications. She said this would greatly expand the network of locations where people could purchase fares and greatly simplify the process.

Ms. Mayall highlighted administrative advantages of the new system. She said it was web-based and partner agencies could manage their own groups. She said some details of the agency and passenger portals, along with how various features would function, could not be discussed with Delerrok until a contract was awarded, but those were on the list of discussion items. She said LTD staff planned to visit Rogue Valley Transit District (RVTD) in Medford and learn about their experience with the Delerrok TouchPass system. The Bend transit agency was also using Delerrok and Salem had expressed interest. She said that eventually there could be a statewide system outside of the Portland metro area where customers could use their cards in multiple

cities. Ms. Rees added that staff had a phone conversation with RVTD during the proposals review and they were highly complimentary toward Delerrok.

Mr. Yett asked if there was a possibility to work with other agencies using Delerrok to negotiate better pricing of system components. Ms. Rees said that was not currently possible, but it could be in the future if a statewide fare management system developed. She said discussions of a statewide system were just beginning and required a significant amount of collaboration. It made sense for LTD to move forward with its own system at this point. Ms. Mayall said other agencies that expressed interest in Delerrok's system had not even begun their RFP processes; waiting for them would delay LTD's implementation by at least a year.

Ms. Jackson said in the past LTD had spent many millions of dollars on purchasing and implementing systems. A cloud-based system like TouchPass would allow the District to evaluate in six years whether it wished to continue with Delerrok and explore partnering with other agencies to obtain better pricing.

Ms. Vargas asked why the Board had not held a work session on a new fare system as it would impact many aspects of LTD's operations and policies. Ms. Jackson said time had been reserved on the Board's April calendar for a work session. Ms. Mayall said more detailed information about configuring the system for LTD would not be available until a contract was awarded.

Ms. Secord said the Finance Committee had discussed the contract at length and probed due diligence issues related to the financial elements. She said staff had also conducted extensive vetting of the proposal. She said that she was comfortable moving forward without a work session.

Mr. Nordin asked if not using certain features of Delerrok's system would change the cost. Ms. Mayall said in software as a service, new features were free. LTD would pay on a per tap basis regardless of which features were implemented.

Ms. Mayall said data would be stored in the cloud. LTD had chosen to ask Delerrok to provide most anonymized data via reporting. She said when LTD analyzed data to see how customers were moving through the system that would protect customers' privacy. She said Delerrok had never had a security breach.

Ms. Rees said the Finance Committee asked a number of questions regarding efficiencies that could be achieved using the TouchPass system. She said while some questions could not be answered at this time because LTD had no experience with an electronic fare system, some assumption had been made:

- The new system would be FTE neutral
- Staff currently working on inventory, reconciliation, and distribution could be better used
- Over the long-term there could be lower cost for fare media
- Move more customers away from cash toward the mobile application or smart card; reducing the time spent counting cash
- Obtain better data on which decisions could be based

Ms. Rees said TouchPass would be implemented on the front door of 40-foot buses and at all doors on articulated buses. She said articulated buses primarily served high ridership routes and this was an opportunity to realize efficiencies in boarding. She said validators were not being purchased for EmX because Delerrok's road map called for platform validators to be available within nine months of implementation. She said one of the features the Federal Transit

Administration used to define bus rapid transit was platform validation. Validation as riders boarded would significantly slow EmX service.

Ms. Mayall said if the Board approved the contract, a notice to proceed would be issued and staff conversations with Delerrok on the details of the system could begin. She said August 1, 2019, was the implementation date and a large component of roll out was training LTD staff and customers. Ms. Rees said Delerrok would offer strong support for LTD staff and customers during the transition to a new system.

Mr. Yeh said there was a confluence of events that created the need for a new fare management system, which was something the Board had been discussing for some time. Benefits included access to better data for planning and management, a flexible and efficient way to implement fare policies and meeting customer expectations about the use of technology.

Mr. Skov commended staff for a procurement process that resulted in five qualifying responses. He said this was an opportunity for LTD to catch up with others in the industry while getting the benefit of experience from those who went first. It was important that the system could support flexibility in fare policies. He said the Finance Committee had also discussed the extent to which Delerrok could support dissemination of the new system in the community. He noted that the contract amount covered multiple years and LTD could change direction in the future if better options became available. He said the Finance Committee also discussed data security issues and LTD would need to reassure the community that information was protected.

Ms. Reid said that she agreed with Mr. Skov that the procurement process was done well. She had faith in the contract being proposed and thanked staff for addressing the Finance Committee's concerns about whether additional LTD resources would be needed to implement the system. She said that she hoped that once the contract work had been initiated, a Board work session could be scheduled to discuss more details of the system. That would enable Board members to communicate information about the system to the public and bring concerns back to staff.

Ms. Vargas reiterated her request for a work session on a complex issue such as the new fare management system prior to taking action. She said that she appreciated work done by the Finance Committee but felt the entire Board should have those discussions.

Mr. Yett said he trusted the Finance Committee to do its work, but without a recap of salient points he could not support the contract award.

Mr. Yeh said that he agreed there was a need for better distribution of information to all Board members.

Ms. Secord said the new fare management system was a huge opportunity to gather data and the cost of the system would be recouped quickly through the operational efficiencies that would be achieved.

Ms. Jackson acknowledged that the issues addressed during the meeting were complex. She said staff valued and respected Board members' time, but agreed that the fare management system could have been better addressed in one or more work sessions prior to a decision. She said that she would continue to work closely with Board members to assure their involvement in areas of particular interest and better prepare staff to present information that was useful to the Board. She encouraged Board members to contact her.

Mr. Skov said he supported the contract award because efficiencies aligned with policy objectives, and multiple points of contact within the organization would deliver accountability. He said evaluation of the system by a cross-functional team was in service of the work done by the Ad Hoc Fare Policy Committee and the system would support efforts moving forward in parallel through the organization. It was an important step in modernizing the transit agency.

Mr. Nordin observed that there had been long-term interest by some Board members in an electronic fare management system and extensive research had been conducted into what options were available. He said that he felt staff had done a good job of evaluating those options and was comfortable with their recommendation.

Ms. Vargas asked how riders and the community were involved in the process of identifying what features were desirable in a new system. Ms. Mayall said the RFP committee included community partners, as did the Ad Hoc Fare Policy Committee. Ms. Rees said staff reached out to group pass organizations and the Accessible Transportation Committee during the evaluation process.

Ms. Vargas asked if staff planned to involve riders in determining system details such as what to do if a card was lost or should children have their own cards. Ms. Jackson explained that there would be a gradual roll out of the system and agencies would move incrementally toward using the new system while LTD was going from using metal boxes to collect fares with no gathering of data to a fully sophisticated system. There were many unknowns and the community did not yet know what questions to ask. LTD would rely on all of its research, communication, and a strategic, phased approach to make sure not one system user was inconvenienced. She expected it would take 12 months to have reliable data.

Ms. Mayall said the system would not replace cash fares; it was a value added for the customer.

Mr. Yeh said while it was tempting to get into details of the system, the Board provided the vision for a new system and details of implementation of the system were the responsibility of staff.

Mr. Yett explained that his concerns were not with staff as he did not doubt the functionality of the system. He said that he would not vote in favor of the contract because this was the first time he was seeing key details of something that was a significant change for LTD and its customers.

MOTION Mr. Skov moved adoption of LTD Resolution No. 2019-03-20-019: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves Contract No. 2019-05 as presented. Ms. Secord provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Secord, Skov, Vargas, Yeh (6)
NAYS: Yett (1)
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Report - March — Ms. Reid said it would be helpful to have Board member reports before action items on the agenda as they often contained information relevant to those items.

Ms. Reid announced that the Main Street-McVay Governance Team would meet on March 21 and she would provide a report at the next Board meeting.

Financial Report - February — There were no questions.

WRITTEN REPORTS

Monthly Cash Disbursements - March — There were no questions.

Quarterly Grant Report (presented in March, June, September, December) — There were no questions. Ms. Jackson said the report could also be included in the April agenda packet if the Board wished to discuss it.

Monthly Performance Reports - January/February — There were no questions.

Monthly Department Reports - March — There were no questions.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING - REQUESTED BY THE BOARD — Ms. Reid asked that a work session on the electronic fare management system be scheduled for the Board.

Ms. Jackson said Kelly Hoell was LTD's new Sustainability Project Manager and would be making a presentation to SPC at its April meeting and a work session for the Board could also be scheduled.

Mr. Yeh determined there was consensus to hold work sessions on the Delerrok contract and LTD's sustainability program.

ADJOURNMENT

Mr. Yeh adjourned the meeting at 8:07 p.m.

LANE TRANSIT DISTRICT:

ATTEST:



Josh Skov
Board Secretary



Camille Gandolfi
Clerk of the Board

Date Approved: 4/17/19