

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, June 19, 2019

Pursuant to notice given to *The Register-Guard* for publication on June 17, 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, June 19, 2019, beginning at 3:00 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Carl Yeh, President
Kate Reid, Vice President
Don Nordin, Treasurer
Caitlin Vargas
Steven Yett
A.J. Jackson, General Manager
Kristin Denmark, General Counsel
Camille Gandolfi, Clerk of the Board

Absent: Emily Secord
Josh Skov, Secretary

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

PRELIMINARY REMARKS BY BOARD PRESIDENT — Mr. Yeh announced that the Business Commute Challenge and Safe Routes to School events had both been very successful with record numbers of participants. He expressed interest in having a Board retreat in the fall as it was an opportune time to re-examine priorities and engage in strategic planning.

COMMENTS FROM THE GENERAL MANAGER — None.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — None.

BOARD CALENDAR — Ms. Jackson reviewed upcoming events on the Board's calendar. She noted that the Board would potentially be making a decision on Transit Tomorrow in August and the discussion could be part of the regular Board meeting or during a work session prior to the regular meeting. She asked that Board members let her or Mr. Yeh know of their preferences.

EMPLOYEE OF THE MONTH – JULY — The Board recognized Facilities Maintenance Generalist II Tim Knerr as the July 2019 Employee of the Month. Mr. Yeh presented Mr. Knerr with his award and thanked him for his outstanding service and dedication to LTD's mission. Mr. Knerr thanked the Board for his award. He said the facilities maintenance group had gone through a number of personnel changes during the past year and it was a youthful and positive group. He commended Facilities Maintenance Supervisor Jeff Sherman's leadership.

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

Rob Zako, Eugene, executive director of Better Eugene-Springfield Transportation (BEST), thanked those who attended the BEST awards ceremony. He said there had been good feedback on projects around the community and there would be a new theme for next year's awards. He distributed a memorandum from BEST to the LTD Board that presented comments on Transit Tomorrow and development of a strategic business plan. He said BEST felt it was an important discussion with the community and LTD was moving in the right direction, but recognized that change was difficult. It was important that everyone worked together to assure the roll out of Transit Tomorrow was successful and articulate to the public why the change was happening.

Patty Hine, Lane County, representing 350 Eugene, a grassroots climate organization composed of local citizens with a vision of a stable climate future. She said Oregon was a trendsetter and 350 Eugene had been organizing community engagement groups, one of which was the Auspicious Transit Action Team devoted to increasing transit ridership and reducing single occupancy auto use. She said the team was currently researching LTD's services and operations. She said 350 Eugene wanted to be a mouthpiece for LTD and assist with community engagement and gaining public support for LTD's mission. She commended the work LTD was doing with integrity and dignity.

PUBLIC HEARING: FARE ORDINANCE 53 — Director of Planning and Development Tom Schwetz reviewed highlights of the fare ordinance. He said the purpose was to implement recommendations from the Ad Hoc Fare Policy Committee. Those recommendations were reviewed by the Strategic Planning Committee (SPC) and forwarded to the Board with a recommendation to adopt. The recommendations were for low-income and youth fare subsidy programs using funding from the State Transportation Improvement Fund (STIF). The recommendations would increase the low-income fare subsidy to non-profits from 50 to 75 percent and create a K-12 student fare subsidy program. The Board directed the general manager to apply for STIF funds and begin the process of amending the fare ordinance to implement the recommendations. He said the Board had also approved purchase of the Delerrok TouchPass system and changes to the fare ordinance that would result in equity, efficiency, and fare recovery. Those included fare-capping, elimination of the 10-ride ticket book, and implementation of a \$5.00 fare for customers paying cash on the Autzen Express route.

Mr. Yeh opened the public hearing. There was no one wishing to speak and the hearing was closed.

Mr. Schwetz noted that comments received during the public comment period were included in the agenda packet. Ms. Jackson noted that all comments about the proposed changes to the fare ordinance were positive. She said LTD staff met with non-profits and school districts and they were supportive of the changes.

Mr. Yeh commented that it was a necessary change to LTD's fare ordinance structure and he supported it.

BOARD MEMBER REPORTS — Mr. Nordin said the LaneACT (Area Commission on Transportation) received a presentation from the Oregon Department of Transportation (ODOT) on current projects and there was a discussion with the mayor of Oakridge about the need for better transit service. The mayor did not feel the Diamond Express service was sufficient and wondered if it would be in Oakridge's best interest to join the transit district.

Ms. Reid announced that she had resigned from the SPC because of other commitments. She had received an invitation to join the Urban Reserves Triple Bottom Line Sounding Board.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** — Mr. Nordin moved adoption of LTD Resolution No. 2019-06-19-032; It is hereby resolved that the Consent Calendar for June 19, 2019, is approved as presented. Ms. Reid provided the second. The Consent Calendar consisted of the Minutes of the May 15, 2019, Board Work Session; Minutes of the May 15, 2019, Regular Board Meeting; Delegated Authority Report - MAY; Coordinated Public Transit-Human Services Transportation Plan; District boundary reaffirmation; Board member expense report – Don Nordin; Board member expense report – Kate Reid; Contract No. 2019-33: Marketing & Communications Bench; Contract No. 2019-51: Thorp, Purdy, Jewett, Urness & Wilkinson, P.C.; and Contract Amendment No. 2018-09: Kuhn Investments, Inc., dba River Cities Taxi.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Vargas, Yeh, Yett (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Secord, Skov (2)

Procurement Policy Revision: Inventory and Disposition of Personal Property — Director of Business Services Collina Beard said the policy revision was necessary to assure consistency in the disposal of capital and non-capital purchases of equipment and materials of \$5,000 and above. She said the policy did not apply to the purchase of real property because that was covered under the federal Uniform Act and Oregon Imminent Domain and Public Acquisition statute.

Mr. Nordin asked if electric bus chargers installed at District facilities were considered personal or real property. Ms. Beard said they were a capital purchase and personal property. Ms. Jackson added that the chargers were purchased separately from the real property.

Mr. Nordin asked if the District was taxed on personal property. Ms. Denmark said as a governmental entity, LTD was exempt from personal property taxes.

In response to a question from Mr. Yett, Ms. Beard said that there had not been a policy regarding disposition of personal property. This revision would establish a policy and provide staff with options for disposition. She said previously most personal property went to auction, but there were no guidelines for determining value or condition of items. The policy and procedures would address how to define the condition of an item, determine its value and options for disposition, including donations and transferring ownership. Data would be collected for reports to granting agencies.

Mr. Yett asked about the annual dollar amount of items disposed of by the District. Ms. Beard said since she had been working for LTD the only items auctioned had been vehicles and those were typically less than \$5,000 each. She estimated the total was between \$25,000 and \$30,000. She said disposition of other items had been postponed pending development of a policy that established standard procedures.

Mr. Yett asked how the Board would be informed about disposition of personal property. Ms. Beard said a procedure had not been established, but staff could develop a report for the Board.

Ms. Denmark said she had worked with staff on development of the policy, which mirrored both federal and state requirements.

Mr. Yett asked how donations were handled. Ms. Beard said personal property purchased with federal dollars had to be disposed of competitively, such as by auction. Oregon law allowed items to be donated or transferred and there were forms that had to be completed to document the transaction. She said a business process manager in the Finance Department tracked all fixed assets and the disposition forms required information about the value of the item and proposed method of disposition in order for permission to be granted. She said donations had to be to another governmental agency, such as a transit authority or school district; it could not be to a 501(c)(3) organization.

MOTION Ms. Vargas moved adoption of LTD Resolution No. 2019-06-19-038: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves the Procurement Policy revision: Inventory and Disposition of Personal Property as presented. Mr. Nordin provided the second.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Vargas, Yeh, Yett (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Secord, Skov (2)

Second Reading and Adoption: Fare Ordinance 53 — Mr. Schwetz summarized his previous remarks. There were no questions.

MOTION Ms. Reid moved that Lane Transit District Ordinance No. 53 be read by title only.

VOTE The motion was approved as follows:
AYES: Nordin, Reid, Vargas, Yeh, Yett (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Secord, Skov (2)

Mr. Yeh read the ordinance by title only: Ordinance 53, an Ordinance Setting Fares for the Use of District Services and amending and restating Ordinance 49.

MOTION Ms. Reid moved adoption of LTD Resolution No. 2019-06-19-039: It is hereby resolved that the LTD Board of Directors adopts Lane Transit District Ordinance 53, an Ordinance Setting Fares for the Use of District Services and amending and restating Ordinance 49. Ms. Vargas provided the second.

VOTE: The motion was approved as follows:
AYES: Nordin, Reid, Vargas, Yeh, Yett (5)
NAYS: None

ABSTENTIONS: None
EXCUSED: Secord, Skov (2)

ITEMS FOR INFORMATION AT THIS MEETING

Communications Plan Update — Ms. Jackson offered the Board options for more in-depth examination of the plan, such as a work session or referral to the Ad Hoc Communications Committee.

Public Information Officer Pat Walsh introduced members of the communications team. He and Marketing and Outreach Manager Theresa Brand used a slide presentation to elements of the plan.

Mr. Walsh said all messaging would be tied to the LTD mission and upcoming projects would provide opportunities for the District to demonstrate its values relative to its mission. He said project strategies were both internal and external and marketing opportunities included:

- TouchPass, TouchPass Phase II, TouchPass Phase III
- Mobility on Demand - Eugene
- Student Transit Pass, Low-Income Pass
- MovingAhead, Transit Tomorrow
- Electric Buses

Mr. Walsh and Ms. Brand reviewed major media briefings that had been held to date and were planned for future dates. They described key messages for each project and how they related to LTD's mission and outlined plans for implementation, outreach strategies, and partnerships.

Ms. Vargas asked if the events associated with outreach strategies were put on by LTD or other community partners. Ms. Brand said there would be both types of events, depending on the project. If a project was being done in partnership with other agencies, outreach would be conducted in collaboration with community partners.

Ms. Reid asked if there was a new LTD brand standard depicted in the presentation. Ms. Brand said the new standard was consistent with the recommendations of the communications consultant Celtis Ventures.

Ms. Reid asked if there had been efforts to reach out to the Eugene Weekly. Mr. Walsh said staff was seeking to foster a good relationship with the newspaper.

Mr. Nordin commented that the Oregon Transportation Commission (OTC) might approve a Florence to Eugene route and the LaneACT would hold its September 2019 meeting in Florence. He said the ACT had inquired about transport to the meeting in an electric bus. Ms. Jackson said on occasion LTD had assisted with transportation to the Florence meeting when wheelchair accessibility was required and some of those attending used that as an opportunity to carpool to the meeting. She said use of the electric bus would depend on its status at that time and whether it was in full service and whether there were sufficient people interested in carpooling to justify use of a large vehicle.

Ms. Vargas asked why the word "transportation" was not used in LTD's mission statement. Ms. Jackson said the statement was adopted four or five years ago as part of the governing bodies strategic planning. She said the Board could decide if the statement still reflected LTD's mission and direction and make changes if it wished.

Mr. Yett asked if LTD was reaching out to potential advertisers interested in placing internal and external ads on the Eugene Mobility on Demand vehicles to generate income for the District. Assistant General Manager Service Delivery Mark Johnson said the vehicles would be fairly small and the plan was to specifically brand the service. He said partner agencies and private business sponsors would also be acknowledged.

Ms. Jackson said the revenue generated by partnerships was probably greater than could be generated by the vehicles in two years. She said partners had committed to about \$75,000 each and contributors represented about \$30,000. The amount of revenue generated by advertising on nearly 100 buses was \$300,000 to \$400,000. She said the revenue generated from a few small vehicles through sponsors and partners illustrated the benefits and if the service was successful it could generate more revenue than through advertising.

Mr. Johnson said there could be advertising opportunities on electronic screens inside the vehicles.

Mr. Nordin asked for details of additional outreach on the Cottage Grove Mobility on Demand service. Marketing Representative Renee Jones said a survey of households was included in the recent utility bill and results were being received. Once the target audience and use of the service were identified, promotional efforts would begin. She said early results indicated that the service was being used as a neighborhood connector by people who had not previously used transit.

Mr. Yeh said the communications plan was well organized and excitement for the effort was building.

Ms. Brand displayed a spreadsheet that listed strategies and timelines for each project.

Ms. Reid commended staff's efforts.

Post-EmX Project Construction Contract Evaluation — Director of Facilities Joe McCormack said a detailed report on the contract was included in the agenda packet.

Ms. Denmark said the evaluation was required by Oregon's contracting code when a contract was procured by a method other than low bid. The Board at the time authorized a request for proposals for a construction manager/general contractor, which was permitted. She said the evaluation was conducted at the end of the project when final payment was made to determine if the project was successful according to statutory requirements. She worked with Mr. McCormack to develop the evaluation report.

Mr. McCormack provided highlights of the report. He said the engineer's estimate of project cost prior to negotiation and execution of the contract was \$59,376,649. The guaranteed maximum price (GMP) after negotiations was \$58,239,173 and the final cost was \$57,435,044. He said besides managing construction cost to below the GMP, the contracting method contributed to

completing the project on time. The project was now operating and functioning as designed and promised to the community. He said most important to people along the corridor was the minimization of impacts to traffic and businesses during construction. He said the project was a complicated and challenging one and the contracting method worked well.

Mr. Nordin remarked that early discussions about the West Eugene EmX project cited a cost of \$100 million and asked if that included costs beyond the contract. Mr. McCormack said the cost of \$57 million was only for construction. There were other costs associated with the project, such as engineering, permitting, and utility location that made up the total project cost.

Mr. McCormack said the service was currently averaging 4,500 weekday boardings or 72 boardings per hour, and was doing well.

Mr. Yett asked what the boardings per hour and weekday were projected to be for the project. Mr. Schwetz replied that staff could provide those figures. He said when the modeling and forecasting was done by a consultant in 2009-2010, regional travel information was used; economy was strong, and LTD ridership was growing. Those factors were reflected in the modeling, and actual ridership was below the forecast. He said the West Eugene EmX was LTD's second most productive line and noted it served a different population of riders, with heavy usage during the day.

Mr. Yett asked to see the forecast and current statistics. He felt it was important to compare those figures because there were many in the community who were still unhappy about the project. It was better to be transparent with the data, explain the figures to the public, and own any mistakes made with the projections. He said he had heard criticisms from the community that LTD did not admit to making mistakes.

Mr. Schwetz said a before-and-after study would be prepared after two years of service. September 2019 would mark the end of that two-year period. Ms. Jackson said staff could provide the data that was currently available in the department report at the Board's next meeting.

Ms. Vargas asked if it was appropriate for her as a Board member to engage in conversations with people in her district to understand their issues and concerns. Ms. Jackson said staff tried to be mindful of Board members' time but would appreciate her involvement and would discuss opportunities with her, particularly as the new fare policy was implemented.

Mr. Yeh expressed interest in hearing more about the lingering negative perceptions of EmX during the Board's future discussions of the project.

WRITTEN REPORTS

Monthly Financial Report - April — Director of Finance Christina Shew stated the Board would receive a preliminary report on financials through June 30, 2019, at its July meeting. She anticipated that none of the funds would have expenditures that exceeded appropriated amounts and resources covered all expenditures. She said a transfer from the General Fund to the Medicaid Fund would not be necessary because revenue had been received for resubmitted claims.

Monthly Cash Disbursements - May — Mr. Nordin asked about an item on the list of disbursements. Ms. Shew said it related to wage garnishments being paid to a civil litigation law firm.

Quarterly Grant Report (presented in March, June, September, December) — There were no questions.

Monthly Performance Reports - April — There were no questions.

Monthly Department Reports - June — Ms. Jackson reported that she had sent emails to Board members regarding the cap and trade state legislation. She said the bill had passed the House and Senate Republicans were attempting to block it. The governor was considering calling a special session. She said there had been 104 amendments to the bill and it was difficult to digest the contents as matters were moving so quickly. She also forwarded information to Board members about proposed amendments to federal transportation legislation.

Ms. Jackson said original projections of STIF revenue had been very conservative because no baseline existed. Those projections were used to develop the applications LTD had submitted, but at the state's request, a 130 percent project list was also submitted in the event there was additional revenue. She said the state had now collected \$12 million above projections and ODOT was proposing to use \$10 million of that amount for the Special Transportation Fund serving seniors and those with disabilities. She said STF had typically been funded by the state and ODOT's proposal was a contentious issue with many expressing their concerns, particularly since the original projects were not based on any prior experience. She said the matter would be decided by the Oregon Transportation Commission. There was a discussion of amendments to STIF rules that would address that issue in the future.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions — Mr. Nordin moved that the Board meet in Executive (Non-Public) Session pursuant to ORS 192.660(2)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

VOTE: The motion was approved as follows:
AYES: Nordin, Reid, Vargas, Yeh, Yett (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Secord, Skov (2)

The Board entered executive session at 4:40 p.m.


ADJOURNMENT — Mr. Yeh adjourned the meeting at 5:00 p.m.

LANE TRANSIT DISTRICT:

ATTEST:



Josh Skov
Board Secretary



Camille Gandoffi
Clerk of the Board

Date Approved: 7/17/19