

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, January 16, 2019

Pursuant to notice given to *The Register-Guard* for publication on January 9, 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, January 16, 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 (via teleconference)
Don Nordin, Treasurer
Emily Secord
Caitlin Vargas
Steven Yett
Aurora 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 expressed his appreciation for the leadership of previous Board chair Gary Wildish. He said that he was the right person for the job at the right time and he would be missed. He welcomed new Board members Ms. Secord, Mr. Skov, and Ms. Vargas and thanked them for their willingness to serve. He encouraged them to ask questions during meetings.

COMMENTS FROM THE GENERAL MANAGER — Ms. Jackson introduced recently hired Development Planner Jennifer Zankowski. She asked Accessible and Customer Services Manager Cosette Rees to briefly explain the mobility on demand (MOD) soft pilot program that recently began in Cottage Grove.

Ms. Rees said the soft launch of the MOD LTD connector project was in its third day. She said there was a ridership of 15 trips on the first day, most of them were LTD staff trying out the service. She said on the second day, when no LTD staff rode, there were 25 completed trips and of those, four trips had six people. She said wait times for riders, once they had booked a trip, were between one and 10 minutes, with an average wait time of 6 minutes for the vehicle to arrive.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — There were no announcements or additions.

BOARD CALENDARS — Ms. Jackson reviewed upcoming events and noted that Transit Tomorrow was also included for those that wished to attend. She said that Board members were invited to attend the LTD employee celebration on January 27, 2019.

Mr. Yeh announced that the City of Eugene Franklin Boulevard design discovery workshop would be held on January 28, 29, and 31.

EMPLOYEE OF THE MONTH – DECEMBER — The Board recognized Accounts Payable Accounting Technician Cassie Mostert as the February 2019 Employee of the Month. Mr. Yeh presented Ms. Mostert with her award and thanked her for her outstanding service and dedication to LTD's mission. Ms. Mostert thanked the Board for her award and expressed appreciation to her colleagues.

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

Webb Sussman, Eugene, brought two concerns to the Board's attention. He said that better transit access was needed for the new residential development in South Eugene, as current options for those living south of 13th Avenue and west of Chambers were severely limited. He said there had been some improvement with rerouting buses in the area, but more was required. He suggested a line haul service on 18th Avenue from the University to the former Hynix facility would be a welcome addition, as would a cross town route from the River Road station to the Amazon station. He said that would allow better access to shopping and other services along the corridor without having to go downtown and transfer. He said currently he could make the trip by car in 10 minutes, whereas by bus it was about 45 minutes, which was not competitive.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), commented on the Board's work session discussion about how the MovingAhead and Transit Tomorrow projects related to each other. He said Transit Tomorrow was a short-term project about service and whether to provide more ridership or coverage using available funds. If the community wanted more frequency and ridership, investments in the MovingAhead corridors would make that happen. If the community preferred more coverage instead of more frequency, that could result in investments in corridors with infrequent service. He said the Board would be making decisions on Transit Tomorrow in 2 months and encouraged a focus on that project now as it would inform other decisions in the future. He introduced Claire Roth, BEST Safe Schools Coordinator, and Marianne Nolte, BEST Transportation Options Coordinator.

Mr. Skov pointed out that the concerns raised by Mr. Sussman were the types of issues that Transit Tomorrow was designed to address.

ITEMS FOR ACTION AT THIS MEETING

Consent Calendar — Mr. Skov asked that the December 19, 2018, Regular Board Meeting minutes be corrected to identify Bill Bradley as an Amalgamated Transit Union (ATU) Executive Board officer in the Audience Participation section on page 2.

MOTION Ms. Vargas moved to remove the Minutes of the December 19, 2018, Regular Board Meeting from the Consent Calendar. 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 Ms. Reid moved to adopt LTD Resolution No. 2019-01-16-001; It is hereby resolved that the Consent Calendar for January 16, 2019, be approved as amended. The Consent Calendar

consisted of the Delegated Authority Report-December, Approval of the Grant applications to fund Out-of-District Services-5311 and 5311(f) funds; and Committee Member Appointment-Statewide Transportation Improvement Fund (STIF) Advisory Committee.

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

MOTION Mr. Skov moved to amend the Minutes of the December 19, 2018, Regular Board Meeting by identifying Bill Bradley, the second speaker under the Audience Participation section on page 2, as an executive board officer of ATU Local 757. 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 Ms. Reid moved to approve the December 19, 2018, Regular Board Meeting Minutes as amended. 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

Fiscal Year 2017-2018 Independent Audit Report and Comprehensive Annual Financial Report — Director of Finance Christina Shew introduced Julie Desimone, Moss Adams, LLP audit partner, to present the audit report.

Ms. Desimone explained the audit methodology and said the first step was risk assessment, followed by development of specific procedures for the District. She said assistance in preparing the Comprehensive Annual Financial Report (CAFR) was also provided to assure it was consistent with Generally Accepted Accounting Principles (GAAP). LTD's receipt of federal grants also required that the audit comply with both state and federal requirements.

Ms. Desimone said she was pleased to provide an unmodified opinion and noted that some of the material issues identified in last year's audit had been resolved. LTD's financial statements were presented fairly and in accordance with GAAP. She said the risk assessment included both quantitative and qualitative analyses. There were no internal control issues to report and no compliance findings on the grant audit. She said a material weakness in financial reporting had been identified in the previous year, but that had been resolved. Both state and federal cognizant agencies had been notified that there were no compliance findings.

Ms. Desimone said significant audit areas included cash, capital assets, pension plans, grant funding and Oregon budget standards. Also reviewed were the District's significant accounting policies. She said details were provided in the audit letter to the Board and was pleased to report there were no adjustments required over the course of the audit. She commended LTD staff for their efforts to have all documents completed and available for the audit and their cooperation throughout the process.

Ms. Desimone said best practices related to timeliness of reconciliations and capital assets were shared with management. She said the Governmental Accounting Standards Board (GASB) was issuing new accounting standards and she felt that LTD management was well equipped to implement them. In summary, she reported clean audit opinions, no material weaknesses over financial reporting, no compliance issues or significant findings, and all communications had been filed with the appropriate agencies.

Mr. Nordin asked about the new standards that were being issued. Ms. Desimone said the focus was in assuring all agency obligations were reflected on its balance sheet, including all leases. For example, the lease of a truck would be reflected in capital asset balances and recorded as both an obligation and asset. She said GASB was also considering a new financial reporting model that would add significant details. She said there were conflicting opinions in the accounting community about whether adding more information equated to actual transparency.

Mr. Skov asked if it was an appropriate time to discuss the management discussion and analysis section of the audit. Ms. Desimone said the management discussion and analysis under GASB, unlike those documents in the corporate world, was extremely regulated in terms of content and not intended to be forward looking.

Mr. Skov said he noted in reviewing the audit there was a decline in capital assets, specifically the value of rolling stock, and there was no discussion of that in the audit. He asked whether that was a matter of concern or just reflecting standard depreciation of vehicles. Ms. Shew said while there had been acquisition of vehicles, the decline was primarily the result of vehicle depreciation. She said she would research the issue and provide the Board with the results of her analysis.

Mr. Yeh commended financial staff for the many improvements that resulted in a clean audit report.

MOTION Ms. Secord moved to adopt LTD Resolution No. 2019-01-15-004: It is hereby resolved that the LTD Board of Directors received the independent audit for Fiscal Year 2017-2018 and accepts the independent auditor's reports contained in the Comprehensive Annual Financial Report and Single Audit for the fiscal year ending June 30, 2018. Mr. Nordin 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

Merging the Accessible Transportation Committee and Service Committee — Mr. Yeh said the recommendation was to merge the committees into a single committee to review service changes. The committee would include representatives of the ridership community, including seniors and people with disabilities, and up to three Board members. The new Comprehensive and Accessible Transportation Committee (CATC) would review proposed service changes and provide advice to the LTD Board on matters related to transit service.

Ms. Secord asked if the group could be used as an ad hoc committee when services changes were being proposed instead of a standing committee. Ms. Jackson said the Board previously had a Service Subcommittee composed only of three Board members. That subcommittee met only once or twice a year to review service changes, typically the fall changes, and provided recommendations to the Board on those changes. She said the Board recognized that many of the service changes most adversely affected older adults and people with disabilities. The ATC

also addressed topics related to ADA accessibility issues and included one Board member, but the rest of the Board had not been engaged in those discussions.

Ms. Reid said not having a Service Subcommittee allowed the Board to be more engaged in the review and discussion of proposed service changes. She said that she agreed with the proposed merger and felt it would not only facilitate better involvement of the Board in service changes, but also establish a better connection with community partners during those discussions and prior to implementation of changes.

Mr. Nordin spoke in favor of the merger as it would allow the Board to provide better oversight of District operations.

MOTION Mr. Nordin moved to adopt LTD Resolution No. 2019-01-16-005: Be it resolved that the LTD Board of Directors approves the merger of the Accessible Transportation Committee and the Service Subcommittee to create the Comprehensive and Accessible Transportation Committee. Mr. Yett 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

Board Member Committee Assignments — Mr. Yeh reviewed the list of Board committee assignments. He asked for a volunteer to fill the vacancy on the Special Transportation Fund (STF) Committee.

Mr. Nordin said he was willing to serve on the STF Committee.

Mr. Yeh determined there was consensus to accept the committee assignments as presented.

ITEMS FOR INFORMATION AT THIS MEETING

State 5310 Enhanced Mobility of Older Adults and People with Disabilities and Special Transportation Fund (STF) Program Overview — Accessible Services Specialist John Ahlen continued his presentation, which began during the preceding work session. He said LTD was pursuing funding to maintain current services and the STF Committee, which was currently reviewing program applications and interviewing applicants, would provide a formal recommendation to the Board at its February meeting.

Mr. Ahlen provided a spreadsheet of available resources and grant application requests. He briefly reviewed the following applications for 5310 and STF funds:

- LTD - vehicle replacement
- LTD Paratransit and Rural Fleet - vehicle preventive maintenance
- Medical Transportation Management (MTM) - RideSource ADA and Shopper
- Lane Council of Governments Senior and Disability Services- volunteer escort mileage reimbursement
- White Bird Clinic - mental health transportation
- LTD - veterans and crucial connections
- Pearl Buck Center - preschool transportation
- South Lane Wheels/City of Cottage Grove - South Lane operations
- Alternative Work Concepts - travel training and transit host

- Lane Council of Governments Senior and Disability Services- mobility management/transportation assessments
- River Cities Taxi - Florence services
- Pacific Crest Bus - Oakridge services

Mr. Ahlen stressed that LTD was mandated to provide paratransit service that was complementary and in addition to the fixed-route service. Paratransit services were supported by federal and state grant funds and farebox revenues, with money from the General Fund supplementing programs when those sources did not cover all of the costs. Contributions for organizations operating programs, both in-kind and cash, helped to meet match requirements.

Mr. Ahlen expected that service and funding levels would be comparable to the last biennium. The total cost of the programs for which applications had been submitted was approximately \$9 million, with over half of that going to RideSource ADA paratransit. He said following the review and approval by the Board, applications were to be submitted to the state by March 15.

Mr. Nordin asked what types of vehicles were being obtained for LTD's vehicle replacement program. Mr. Ahlen said LTD went out to bid for the purchase of new vehicles and because some vendors were available through the state pricing agreement, the fleet was composed primarily of Eldorado Aerotech vehicles, but also included minivans and other types of vehicles. The vehicle specifications were established and bids were evaluated based on those criteria. Any number of vehicle types could be selected, depending on need.

Mr. Skov observed that paratransit services were expensive per ride for transit agencies to provide. He said in a report from the general manager last fall there was a reference to partnerships between ride-hailing companies and transit agencies to provide paratransit services. He asked if that was something LTD had considered pursuing. Mr. Ahlen said LTD was open to working with anyone that could meet its needs and RideSource worked regularly with local taxi companies. The wide range of services listed on the spreadsheet could only be provided by working through community partnerships to leverage grant funds. He said that all opportunities to expand services and stretch available dollars would be pursued.

Board Travel and Reimbursement Policy — Ms. Jackson said the policy had been developed following previous discussions about how to handle travel and reimbursements. Board members sometimes incurred expenses related to their duties on behalf of the District and it was important to assure that did not become a barrier to someone serving on the Board because of the cost. In that spirit the Board had directed her to prepare draft language for its consideration. The draft would be refined based on feedback from the Board.

Mr. Purdy said LTD was a special purpose mass transit district and Board members were entitled, if they chose, to \$50 per day for a full or partial day of service, plus actual and reasonable reimbursement of travel and other expenses. He said the draft policy contained provisions related to per diem, but it was preferable to have reimbursement on the basis of actual expenses. He said references to actual and necessary expenses should also include "reasonable" as part of the definition as that language was in the state statute.

Mr. Yett suggested tying private vehicle mileage reimbursements to the then current Internal Revenue Service rate. He also suggested adding the word "reasonable" to language related to the use of rented vehicles.

Ms. Reid asked for further exploration of per diem because the inability to pay for meals and other incidental expenses up front could prevent someone from participating in an activity such as the United Front trip to Washington D.C. Mr. Purdy said there was no reason why LTD could not

advance travel funds to a Board member, providing a reconciliation at the end of the trip based on actual receipts were done, and return any unspent funds.

In response to a question from Mr. Nordin, Mr. Purdy explained that the statute did not provide for a travel per diem payment, rather it required reimbursement for actual and reasonable expenses. A per diem rate could be used to advance travel funds to a Board member prior to traveling, but the Board member would be responsible for retaining receipts and reconciling trip expenditures with that advance.

Mr. Yeh said the Board's intent with establishing a travel and reimbursement policy was to remove barriers and assure equitability among members in discharging their duties. He asked Ms. Jackson to continue to refine the policy.

Ms. Jackson asked the Board to consider delegating to a Board officer the responsibility for determining the reasonableness of expenses so it did not fall upon staff to make that judgment. She said the Board was accountable to the public and each other, not to the staff.

Mr. Purdy suggested that travel reimbursements be placed on the Consent Calendar for review and approval by the Board.

Ms. Secord said it was the practice of many organizations to make travel arrangements such as booking hotels and flights on behalf of board members and asked if that was feasible for LTD to do that. Ms. Jackson said that was typically how Board travel had been handled, the same procedures used for staff travel, but there was no requirement to do that. That was a decision the Board could make. Mr. Purdy said an example would be a Board member who preferred to fly first class and booked their own flight, but was reimbursed for the cost of the flight at the economy rate.

Ms. Reid said as part of equity considerations, the policy could contain language that allowed the District to take care of those types of travel expenses up front. She interpreted language in the Out-of-District Travel section of the policy to require the Board to approve in advance any travel and its cost. Ms. Jackson said that was recommended language and in current practice she made those decisions. The policy as drafted would remove that authority from the general manager and vest it in the Board or a designated member.

Mr. Purdy said other Boards would pre-approve attendance at an event, but not the cost of travel. Ms. Jackson said travel costs were budgeted in advance.

Mr. Nordin said he preferred to have the District book his travel arrangements as it would likely be able to obtain better prices.

Mr. Purdy determined there was a preference for continuing to use a per diem advance approach with reimbursement for actual and reasonable expenses and repayment of unspent per diem funds.

Ms. Jackson said she would refine the policy and provide an update at the next Board meeting.

Safety-Conscious Resolution No. 2016-012 Annual Update — Ms. Jackson said the LTD Board adopted Resolution No. 2016-012 for the purpose of reducing deaths and serious injuries from transportation related crashes. She said the resolution included strategies for achieving that goal and a requirement to provide the Board with an annual report on the District's efforts.

Ms. Jackson said the state, Lane County, and the cities of Eugene and Springfield had also adopted resolutions related to a safety-focused environment. She said LTD's approach focused in four areas:

- implementing safety focus on existing and future capital construction projects,
- initiating a Pedestrian Network Analysis (PNA),
- applying safety criteria to existing operations, and
- employee training to promote a safety conscious culture within the organization.

Ms. Jackson reviewed the work plan and summary of projects included in the agenda packet. She explained how safety was addressed during each phase of a project from design and engineering to final implementation. She said the PNA was recently completed and distributed to staff for comments; it would be finalized by the consultants and released in about 2 weeks.

Mr. Skov said that he hoped the Board would receive the PNA as soon as possible to provide more details about safety issues. He asked if LTD had conducted other PNAs in the past. Ms. Jackson said others had been done, but not as part of a comprehensive operations analysis, and prior analyses had been in a very different format. She said that she would work with consultants to assure the PNA was quickly available.

Mr. Skov commented that transit was much safer per passenger mile than driving a private vehicle.

Mr. Yeh thanked Ms. Jackson for the organizations efforts to keep safety as a foremost consideration in its operations.

In response to a question from Mr. Nordin, Mr. Skov said the safety-conscious resolution adopted by the Board was LTD's version of Vision Zero.

Board Member Reports — Mr. Nordin said the LaneACT received a report on the feasibility study of transit between Florence and Yachats. He said the study concluded there was a market for the service and efforts were under way to identify funding.

Ms. Reid said the State Transportation Improvement Fund (STIF) Committee was staffed by Lane Council of Governments. They were scheduled to meet the following week and again on February 5 to finalize its recommendations to the LTD Board on the use of STIF dollars. She said a number of applications were received for both in-district and out-of-district projects.

Financial Report — Ms. Shew said rather than reviewing the detailed written report included in the agenda packet she would highlight any significant issues. She would provide a more detailed review for new Board members at the next meeting. She said she was pleased to report that as of December, payroll taxes were on target at \$18.4 million. There were no questions from the Board.

Mr. Yett and Ms. Reid commended Ms. Shew and her staff for their work on the District's financial management practices that resulted in a clean audit report and for receiving a certificate of achievement for excellence in financial reporting. Ms. Shew thanked the Board for its support

Monthly Cash Disbursements - December — There were no questions.

Monthly Performance Reports - November/December — Ms. Jackson noted that service hours and miles had declined slightly as a result of the last fall service changes and ridership was still strong, showing more efficiency in operations.

Monthly Department Reports - December — There were no questions.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING - REQUESTED BY THE BOARD — Mr. Nordin said that mobility on demand (MOD) service was recently launched in Cottage Grove and that he felt it would work well and also provide opportunities to leverage more services for the community and support economic development. He said that he was hoping to identify a location for a mobility hub.

Ms. Reid noted there was a report on electric bus acquisition in the packet. She asked when delivery was expected. Assistant General Manager Service Delivery Mark Johnson said delivery was expected in March and would be placed in service as soon as possible. Ms. Jackson said a soft launch was planned and once tested with customers for performance, an official announcement would be made to the community. The Board would be made aware of the soft launch and the date of the official launch.

In response to a question from Mr. Nordin, Mr. Johnson said the electric buses had a specific color scheme and would be identified as all-electric.

Mr. Yeh said he expected there would be significant public interest in the electric buses.

ADJOURNMENT

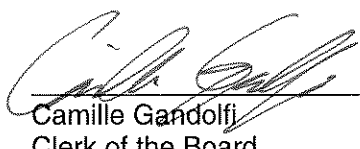
Mr. Wildish adjourned the meeting at 7:40 p.m.

LANE TRANSIT DISTRICT:

ATTEST:



Josh Skov
Board Secretary



Camille Gandolfi
Clerk of the Board

Date Approved: 2/20/19