

MINUTES OF FINANCE COMMITTEE MEETING

LANE TRANSIT DISTRICT

Monday, November 13, 2017

Pursuant to notice given to *The Register-Guard* for publication on November 6, 2017, 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 13, 2017, beginning at 4:00 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, Chair
Carl Yeh
Aurora Jackson, General Manager
Kristin Denmark, General Counsel
Camille Gandolfi, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Ed Necker, Secretary

CALL TO ORDER/ROLL CALL: Mr. Wildish convened the meeting and called the roll. He determined there were no objections to considering the contract related to government relations services following approval of minutes in order to allow Director of Public Affairs Edward McGlone to participate via teleconference.

MOTION APPROVAL OF MEETING MINUTES: Mr. Necker moved to approve the minutes of the September 12, 2017, Finance Committee meeting as presented. Mr. Yeh provided the second.

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

CONTRACT APPROVAL – STATE GOVERNMENT RELATIONS SERVICES: Mr. McGlone explained this was a different firm than the one that worked with the federal delegation; Oxley and Associates would represent LTD at the state legislative level. He said the contract was the result of a competitive request for proposals (RFP) process in which two proposals were received. Both were deemed responsive and an evaluation committee reviewed and scored based on the evaluation criteria, after which it recommended Oxley and Associates as the highest scoring bidder. He said the contract provided for a guaranteed three-year term at a price of \$60,000 per year, with an LTD option to extend the contract annually for two additional years.

In response to a question from Mr. Yeh, Mr. McGlone said LTD had previously been represented by Lobby Oregon, which also bid on the RFP.

MOTION Mr. Necker moved to forward the Oxley and Associates contract to the Board of Directors with a recommendation for approval. Mr. Yeh provided the second.

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

CONTRACT APPROVAL – MOVINGAHEAD PROJECT - PHASE 1: Senior Project Manager Sasha Luftig said the contract was for technical tasks and public engagement associated with completion of Phase 1 of MovingAhead. She said a request for qualifications (RFQ) resulted in three proposers, with JLA Public Involvement at the top of the list. Staff currently in negotiations with JLA and based on the current status of those negotiations the full contract, including contingency tasks, would be not to exceed \$456,822. She expected that amount to decrease somewhat as negotiations continued.

Mr. Yeh asked if the base amount of \$309,756 was firm. Ms. Luftig said the RFQ established a base of \$310,000, but during discussions about scope of work it was decided to move some of the contingency tasks into the base, which would increase it slightly. She said technical reports were published as drafts when the alternatives analysis was published. Based on public feedback and questions there might be a need to update those reports; that was an example of a contingency task.

Mr. Wildish noted that the cost of services was not part of the RFQ process and asked staff why that was not part of the scoring. Ms. Luftig said an RFQ process was selected because very specific technical qualifications were required for the work, in addition to public engagement, which was a very different combination than typically required in a scope of work.

Purchasing Manager Collina Beard added that for alternatives analysis, feasibility studies and similar work the Federal Transit Administration (FTA) required a qualifications-based process instead of a best value RFP because the qualifications required to carry out the scope of work were the primary concern. She said the cost was then negotiated. The contract for government relations services was awarded to the most responsive and responsible proposer, while the MovingAhead RFQ award was based on qualifications alone. She said RFQ respondents submitted their pricing along with their technical proposals, but the pricing was under seal and the FTA and state law prohibited opening those pricings until contract negotiations began.

Ms. Denmark said that Oregon law and FTA requirements were similar for solicitations for professional services, requiring that price was submitted under separate cover and not considered.

Mr. Wildish remarked that process was different in the private sector and he appreciated the information; it would enable him to respond to constituents' questions about how the Board was discharging its fiduciary responsibilities.

Ms. Beard, because negotiations with JLA were still in progress, asked that the motion simply recommend award of a contract to a firm so that in the event JLA was unable to meet all of LTD's requirements, negotiations could proceed with next proposer.

MOTION Mr. Yeh moved to forward the contract with a firm to provide professional services for the MovingAhead project to the Board of Directors with a recommendation of approval, not to exceed \$500,000. Mr. Wildish provided the second.

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

CONTRACT APPROVAL – OPERATIONS UNIFORMS: Ms. Beard explained that previously LTD had two vendors providing uniforms for many years, but the contracts had expired. She said LTD was prohibited to artificially split services and there did not seem to be a proven reason for separating them into two contracts so the new solicitation process combined them. After two solicitations with no bidders, LTD determined from potential vendors that the last of interest was because LTD purchased uniforms instead of leasing them. Based on that information, procurement staff recommended that operations split the award and enter into sole source contracts with the current vendors, Cintas and McKenzie Sew-On.

Ms. Denmark said Oregon law was not clear on how to proceed if no responses were received to a solicitation and there were several options to consider. She said the best option was sole source, which allowed the award of a contract without competition so long as certain criteria were satisfied and there were written findings. She said in this case the findings would be the lack of response to solicitations and the determinations that the two vendors were the only ones able to provide the services required. She would prepare the findings in a resolution prior to the Board meeting and notice of the findings would be published after the Board meeting to allow a seven-day period for protests. The resolution would indicate that If none were received or any protests were resolved, LTD could proceed with the contracts.

Mr. Yeh asked if uniforms could be ordered directly from a wholesaler. Assistant General Manager Service Delivery Mark Johnson explained that most suppliers were overseas and LTD had very specific requirements to assure uniformity of employee apparel. It would be difficult for a wholesaler to provide the range of sizes and styles that LTD needed. Ms. Beard said LTD uniforms also required various optional patches, which wholesalers would not do.

Mr. Yeh asked if there were any cost savings associated with leasing. Mr. Johnson said coveralls were leased for the 20-30 maintenance personnel, but that was not feasible for the more than 200 bus operators. A vendor would need to stock multiples of every size needed for every operator. Ms. Beard added that it was much more extensive to lease operator uniforms, which was why vendors preferred that option. She said based on the cost for maintenance coveralls, the cost for bus operator uniforms, which included pants, shirts, jackets, shorts, plus male and female versions, would be astronomical.

Mr. Johnson said the labor agreement required LTD to provide uniforms. Mr. Wildish commented that the cost of bus operator uniforms appeared to be less than \$300.00 per operator, which was reasonable. He commended the efforts of procurement staff to obtain bids.

MOTION Mr. Yeh moved to forward the contracts with Cintas and McKenzie Sew-On to the Board of Directors with a recommendation for approval. Mr. Wildish provided the second.

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

NEXT MEETING: Mr. Wildish said the Finance Committee would meet in December, if necessary.

ADJOURNMENT: Mr. Wildish adjourned the meeting at 4:25 p.m.

(Recorded by Lynn Taylor)