

DRAFT

MINUTES OF HUMAN RESOURCES COMMITTEE MEETING LANE TRANSIT DISTRICT BOARD OF DIRECTORS

September 28, 2010

Pursuant to notice given to *The Register-Guard* for publication on September 23, 2010, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Human Resources Committee was held on Tuesday, September 28, 2010, in the District's Board Room at 3500 E 17th Avenue, Eugene.

Present: Michael Dubick, Chair
Gary Gillespie
Dean Kortge
Mark Pangborn, General Manager
David Collier, Senior Analyst, Human Resources and Risk Management
Jeanne Schapper, Clerk of the Board/Recording Secretary
Susan Oldland, Administrative Secretary, Human Resources

Absent: Mary Adams, Director of Human Resources and Risk Management

CALL TO ORDER: Mr. Dubick called the meeting to order at 4:10 p.m. and called the roll.

APPROVAL OF MINUTES: Mr. Kortge moved approval of the minutes of the August 24, 2010 meeting as written. Mr. Gillespie provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Kortge (3)
NAYS: None

Mr. Pangborn explained that Ms. Adams chose to not attend the meeting since she intends to apply for the general manager position and wishes to keep the separation clear.

GENERAL MANAGER EVALUATION PROCESS: Mr. Collier began the discussion by asking committee members to review and finalize a list of key community contacts. Select individuals on this list will be contacted by a Board member to solicit feedback on Mr. Pangborn's performance over the past year. Feedback will be driven by a list of interview questions developed over the past few months. Committee members reviewed and finalized contact assignments, and Mr. Collier agreed to update and email this list to Board members. Feedback is due by back to October 15.

Mr. Kortge brought attention to the four evaluation interview questions developed by the Committee that will be asked of community leaders. He asked about the purpose of the first question, "What challenges do you see ahead?" and remarked that it seems very general. He asked if its purpose is to invoke thoughts and ideas for desired the characteristics in the next general manager.

Mr. Dubick responded that the first question is intended to help focus the discussion on what challenges are foreseen for the future of LTD.

Mr. Pangborn suggested that questions one and three could be combined, the third question being "What leadership characteristics should the next LTD general manager have in order to carry LTD forward into the future?" Additionally, a new question should be added which asks what characteristics are undesirable for the general manager.

Mr. Kortge agreed that combining the two questions makes sense, and suggested that the discussion could begin by asking the interviewee to rate the general performance of LTD's current manager. He added that he wants to ensure consistency in the process.

Mr. Dubick remarked that it will be interesting to review the responses for consistencies, identify patterns, and determine next steps for communicating the information, such as a luncheon with budget committee members.

Mr. Pangborn said that once LTD codifies the information for the Board, members can decide what the next steps in the information sharing process will be. Mr. Kortge inquired about the purpose of such a process, and Mr. Pangborn explained that it will test the model. For example, once LTD collects and categorizes the information, the Board can review it and decide to hire a head hunter or test it with a focus group for verification.

Mr. Kortge voiced concern that the first step should really be a clear discussion with a search firm, which will help refine and clarify what characteristics LTD and the community are looking for in the next General Manager. Mr. Pangborn added that an experienced search firm will test the questions and help LTD vet the process. Mr. Kortge wants to be sure the Board confers with the experts before getting too far along in the process. He also relayed a second concern, which is the danger of angering a larger group if their thoughts are not ultimately included in the process. He feels it is important to balance input and decision making, especially in choosing a replacement for the General Manager position.

Mr. Gillespie cautioned that being asked and not included is better than not being asked at all. Mr. Kortge agreed and said again that balance requires a trade off. Mr. Dubick included that his thoughts earlier in the process included erring on the side of too much public input, but that as a more cohesive picture emerges the process will become apparent.

GENERAL MANAGER SELECTION PROCESS: Mr. Pangborn requested that Mr. Collier provide a draft outline for the selection process, which is included in the meeting packet. Mr. Collier clarified that the steps need to be refined, and details, such as timelines and responsible parties, determined.

Mr. Kortge pointed out that it is sensible for Mr. Collier to run the selection process, but wanted to ensure that members are comfortable with the fact that he works for Ms. Adams. Mr. Pangborn pointed out that the recruiting firm will be handling much of the process, and that Mr. Collier's role is one of support. Additionally, it is likely that the recruiting firm will be out of state and that LTD staff will need to provide the local coordination.

The first step of the process is the general manager evaluation, as discussed in the preceding agenda item. The input is due back by October 15 and will be compiled and

given to Mr. Collier and Ms. Oldland. In the second step, the selection of the recruiting firm, the Executive Search Committee will be responsible. Mr. Pangborn asked if anything is missing. Number III, determining a profile relates to Mr. Kortge's concerns about public input. Under II. Board Selects Recruiting Firm, Mr. Kortge added that C. Selection of Firm be added to the outline with a timeline of December, 2010. Kortge III B. Determine candidate profile how done? Pang depends, could have a written form. Mr. Dubick remarked that during the webinar, the search firm did this step. Collier – could have them talk to key people, or have a survey monkey for anyone who wants to give input, remain anonymous, and the selection firm could contact select respondents to verify the information. This step, input from community (survey monkey) due by

Kortge – Jan – Mar for recruiting. Firm will take two months to recruit? Do they come in and sort. Interview comm. Boiled it down more, after mid-Mar? Pang – between mid march and 1st of april where they sort it down, and board decides how many candidates, then w/recruiter pick out how many to interview.

Collier Austin gave board 14 scrubbed resumes, firm boiled it down to six, two dropped out, so only a final four.

Gillespie cautious about process timeframes. Process through spring break, selection process, and depending if one or more cuts.

Pang – collier should put together a draft RFP w/list of likely firms as soon as possible.

Gillespie – suggested recent firm that recruited Eugene planner was very good.

Exec Search committee meets on 9/30 to launch the process.

Kortge what char would you abhor, or what don't you want? Pang - Position will become increasingly public.

Collier is committee turning over search to exec. Search committee. Yes.

Dubick – is there a list of tasks. Gillespie next task is input from interview.

Pang – after that contract negotiations will be the topic. The ability to pay is significant, so LTD needs new model for health care and pension plans. Current bids are in the 20-24% increase range, so have gone back to union. Explained the two different health care plans LTD has w/PS and reason for increase. Utilization for union plan is 100%, with a 30% overhead, driving the increase. Aging population is also driving the increase.

Gillespie mentioned a bill in legislature that would group government agencies, cities, counties, special districts, for healthcare coverage.

Pang exp healthcare scenario – contract doesn't require LTD pay premium increases for employees, but union argues that LTD should still pay 15%. LTD says no, it's just like wages, so if we don't have a plan, then employees will pay a premium share which is incentive for union to deal. Gill – 1 year interim? Pang – no, want 3 years. Will have a better idea after 10/13-14.

Minutes of Board Human Resources Committee Meeting

September 28, 2010

Page 4

Also on the plate at contracts is pension. Not driven by a timeline and several possibilities like healthcare so likely to drag out. LTD needs to go to 100 dc w/a match or some kind of hybrid dc/db. Benefits conference coming up in Nov will be helpful to see what other organizations are doing.

NEXT MEETING: November 9, 2010

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 5:12 p.m.

Recording Secretary