

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

April 19, 1983

Pursuant to notice given to the Eugene Register-Guard for publication on April 14, 1983, and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held at the City Hall in Eugene, Oregon, on April 19, 1983 at 7:30 p.m.

Present: Peter M. Brandt, Treasurer
Janet Calvert
Janice Eberly, Secretary
Ted J. Langton, President, presiding
Larry Parducci
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Judy Nelson
Glenn E. Randall, Vice President

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Mr. Langton stated that the Board would need a quorum at the May 3 Budget Committee meeting in order to take some action as a Board. All present said they would be able to attend that meeting.

APPROVAL OF MINUTES: Ms. Eberly moved, seconded by Mr. Parducci, that the minutes of the March 15, 1983 regular meeting be approved as circulated. With no further discussion, the motion passed by unanimous vote.

AUDIENCE PARTICIPATION: An unidentified man in the audience stated that he would like to see the Board offer a moment of remembrance for an LTD employee, Johnny McDonald, who had passed away that weekend. Ms. Loobey stated that they would do so.

Rich Ries, Executive Board Officer for Amalgamated Transit Union (ATU), an elected representative for Local 757, spoke about the recommendation of the Board Subcommittee on Administrative Salaries which was scheduled for discussion that evening. He said that during the budget year of July 1981 to June 1982, salaried staff had received a 12% wage increase, while the collective bargaining unit had had a one-year wage freeze, and that from July 1982 to June 1983, the salaried staff had had a wage freeze. He listed the increases granted in the collective bargaining agreement that had just been settled, stating that a 5.7% increase amounted to a six-month retroactive bonus and a three-month wage freeze.

Mr. Reis went on to say that, in light of the depressed economy in Lane County, possible decreased Federal assistance, and decreased revenues from the farebox and from payroll taxes, the collective bargaining unit elected to receive an increase of about 2.7%. He urged the Board to take their lead and use moderation to give Administrative staff an increase of 2.7% rather than the recommended three to six percent. He felt it would be good to show the community that the District is willing to do its fair share and to show the rest of the employees that everybody does count.

RECOMMENDATION OF SALARY SUBCOMMITTEE: Mr. Langton stated that Ms. Eberly needed to leave early, so he would like to hold discussion on the recommendation of the Board Subcommittee on Administrative Salaries at that point in the meeting. Ms. Eberly apologized to the rest of the Board for the change, but said that since she was on the subcommittee that reviewed this issue, she wanted to be present for the discussion.

Mr. Langton explained that a subcommittee reviews Administrative staff salaries each year, and that information being presented to the Board had already been reviewed by this year's subcommittee.

David Harrison, Personnel Administrator, gave the Board some background information regarding Administrative salaries. He stated that staff had developed, over a six- or seven-month period, a new salary system, which had been implemented in November of 1982. Staff had been helped in this process by Bill Shuck of Cascade Employers and Ruth Shuck of the City of Corvallis, which has implemented a similar pay for performance system. He further explained that District Administrative supervisors work with their employees to develop goals and objectives, to which the employee commits for a six-month period. Reviews of those goals and objectives are held in December and June. He said that the first set of goals and objectives had been completed, employees had been evaluated according to their progress on those goals, and preparations had been made for the second six-month period. He stated that, under the system, salary adjustments would only be granted once each year, even though employees would be evaluated twice a year.

Mr. Harrison then discussed a chart shown on an overhead projector. It showed the salary schedule in grades, which included a 30% spread for the categories "minimum," "midpoint," "control point," and "maximum." He explained that an employee whose salary is between the minimum and control point can gain within a certain percentage range toward control point, as long as that employee has been evaluated as "meeting all the requirements of the job." He stated that the salary schedule itself would be adjusted, and employees would move through the various levels based upon their performance. Ms. Loobey added that the numbers in brackets showed the various numbers of staff in the various places on the salary schedule.

There were some questions regarding increasing the scale and movement on the scale. Mark Pangborn, Director of Administrative Services, explained that increasing the scale would give the people at the top of the present scale an incentive to move a certain percentage toward that new control point.

Mr. Langton suggested leaving the bottom of the scale as it is and increasing the control point. Mr. Pangborn explained that it could be done, but increasing the salary spread would cause problems with overlapping wage ranges after a year or so.

Mr. Langton remarked that the staff had made a successful attempt to eliminate automatic increments for longevity on the job.

Mr. Brandt asked why staff just didn't move up another grade when they reached the top of one. Mr. Pangborn explained that the system is a hierarchical one, in which people in the higher grades have more responsibilities, and, therefore, higher pay, than those in the lower grades. Mr. Pangborn also said that the Board would not have to make a decision at this meeting, but that their ultimate decision would have an impact upon the budget.

Mr. Brandt wanted to know why the salary subcommittee did not make a specific recommendation for increasing administrative salaries. Ms. Eberly explained that there was a difference of opinion, and that she felt some need for conservatism. She said she appreciated Rich Reis's comments, and, although she did not agree with all of them, she stated that everyone does count, and stressed that performance will pay a large part in whose salary is increased. She further thought the salary decision should be a Board decision, not one made by the subcommittee.

Mr. Brandt asked if it was correct that Administrative staff had had no salary increase for a year. The answer was affirmative; they had not.

Mr. Langton stated that he was on the subcommittee and had recommended a 6% increment. He stated that there had been some raises within those parameters, that anyone at the control point had not had the opportunity to receive a raise but those not at the control point had been evaluated with the possibility of receiving a salary adjustment. He stated that the Board was talking about raising the parameters of the salary schedule, which had not been done since January of 1982.

Ms. Calvert asked about the average percentage of those who did receive an increase. Mr. Pangborn replied that, for those below control point and eligible for a merit increase, the average was probably 5%. Mr. Harrison remarked that the increases ranged from 3% to 7%. Mr. Langton stated that 64% of Administrative staff are at control point and not eligible for raises.

Mr. Brandt thought that, for all the extra hours and overtime Administrative staff put in, their hourly salaries would be low. Mr. Langton said he had considered that in recommending a 6% increase. He stated his belief that all of the employees at LTD are excellent, with salaried staff being included in that category.

Ms. Calvert mentioned that Lane County and others had given no increases during the past year. She thought that everyone did need to show some restraint on salary increases this year.

Mr. Langton reiterated that the Board did not have to take action that evening, but would need to do so before the final Budget Committee meeting.

Mr. Brandt asked how the staff felt about the recommendation. Ms. Loobey replied that they work long, hard hours, and that within the last ten years the salary schedule for LTD has fallen behind the marketplace, documented by the fact that the Board has made the statement regarding its commitment to continue to strive to reach comparability. She added that staff are aware of the economy and the economic problems of other agencies, which have lagged behind the District by about a year, since the District encountered its hard times a year to 18 months ago. She added that staff do work long hours for which they receive no compensation, since the District does not even have a compensatory time policy, and staff are rarely paid with free time off.

Ms. Eberly remarked that this was the first year she had been on the subcommittee. She stated that staff were very cooperative, and that many questions were discussed. She said that many facts were brought out, but she wasn't sure that the data helped her make a decision.

Mr. Brandt stated that he thought the subcommittee ought to make a firm recommendation to the Board.

Mr. Parducci said he agreed with Mr. Langton that staff deserved a 6% increase. He commented that he is on another budget committee and that LTD is much more efficient.

MOTION

Mr. Parducci then moved that the Board adopt a 6% increase for the Administrative staff salary schedule for Fiscal Year 1983-84. Mr. Brandt seconded the motion.

Ms. Calvert expressed again her concern for restraint, although she did not mean to say that staff did not work long and hard, and that a lower compromise would be more to her liking. Ms. Eberly stated that she would not be able to vote for this motion, since it had been her idea to bring the compromise to the Board. She said she was very, very proud of the staff, but she thought that until the Board had a more concrete view of what was happening with the fiscal situation of the District, they should show some conservatism.

Mr. Langton stated that the motion could be amended if the Board wished. Ms. Eberly stated that she did not feel comfortable just pulling numbers out of the air. Mr. Brandt asked if 6% was not conservative, then would 4% be?

MOTION

Ms. Eberly moved that the increase in the motion be amended to 4%. Her motion died for lack of a second.

MOTION

Ms. Calvert then moved that the motion be amended to 5%. Mr. Brandt seconded, and with no further discussion, the motion to amend the main motion passed 3 to 2, with Mr. Brandt, Ms. Calvert, and Mr. Langton voting in favor and Ms. Eberly and Mr. Parducci opposed.

VOTE

VOTE

The vote on the main motion, as amended, was then taken. The motion passed 3 to 2, with Mr. Brandt, Ms. Calvert, and Mr. Langton voting for the motion, and Ms. Eberly and Mr. Parducci against.

Mr. Langton commented that the difference between 5% and 6% is small, and that was the only reason he voted for it. He stated that he did not feel very comfortable with this process because there was not enough opportunity for the whole Board to discuss it. He explained that at the last subcommittee meeting only two of the three subcommittee members had been present, and there had been a wide divergence of opinion. However, he agreed with Mr. Brandt that future salary subcommittees should make firm recommendations to the Board.

Mr. Langton then asked what the Board wished to do about parts 2 and 3 of the recommendation on page 20 of the agenda packet. He explained that part 2 directed staff to evaluate and recommend to the salary subcommittee a program of fringe benefits tailored to salaried staff for the next fiscal year, and that part 3 readopted a policy directive to work toward a position of salary comparability for District salaried staff with other positions of like duties.

MOTION
VOTE

Ms. Calvert moved that the Board adopt the second and third recommendations found on page 20 of the agenda packet. Ms. Eberly seconded, and the motion carried unanimously.

MOMENT OF REMEMBRANCE FOR JOHNNY MCDONALD: Ms. Loobey asked to take a moment to pay tribute to a beloved and fine employee, Johnny McDonald, who last week had a heart attack on the job. She said that all employees regret the loss of Johnny, who was a friend to all. He had been employed with the District about seven years, first as a supervisor for Dial-A-Bus and then as overseer of the transition of Dial-A-Bus to a subcontractor. He then worked in the Transportation office as a system supervisor. Before working for LTD, he owned his own cab company in Eugene, and as a long-time Eugene resident, he knew many people and had many friends. Ms. Loobey stated that all the staff feel badly and wished to extend their feelings of bereavement to Johnny's family.

PUBLIC HEARING ON SERVICE REDUCTIONS: Mr. Langton opened the meeting for comments from the public regarding proposed service reductions. There was no participation from the audience, and Mr. Langton closed the public hearing.

DISCUSSION ON SERVICE REDUCTIONS: Mr. Pangborn informed the Board that they would not have to take action that night, but they were required to have a public hearing on permanent reductions in order to comply with federal regulations. It was the staff's recommendation that the Board hold a special meeting

on May 3, after the Budget Committee meeting, in order to hear comments from the Budget Committee members on this issue. He explained that the reductions were, in essence, a reallocation of resources, and that the Board would need to make a decision on May 3 in order to meet the timeline for preparing for the June bid.

MOTION

Mr. Brandt moved, seconded by Ms. Eberly, that the Board adopt the staff recommendation, stated on page 3 of the agenda packet, to plan to adjourn to May 3. The motion carried by unanimous vote.

VOTE

PUBLIC HEARING ON OPERATING ASSISTANCE GRANT: Mr. Langton stated that the grant application would be for operating money for the current year, and the District would be applying for money which is now available. Mr. Pangborn explained that the amendment to receive further funds is due to the passage of the Surface Transportation Act and the 5-cent gas tax.

Mr. Langton then opened the hearing for comments from the public. There were none.

MOTION

Ms. Eberly moved that the Board adopt the staff recommendation on page 4 of the agenda packet (to approve the amended application for Federal operating assistance and the resolution authorizing Phyllis Loobey to file the amendment and execute the resulting grant contract agreements). Mr. Brandt seconded the motion, which then carried unanimously.

VOTE

MOTION

APPOINTMENT OF INDEPENDENT AUDITORS: Mr. Parducci moved, seconded by Ms. Eberly, that the Board continue to use Derickson & Gault as the District's independent auditors for the fiscal year ending June 30, 1983.

Mr. Brandt asked about the fee estimate, wondering how the Accountant knew the fees would not exceed \$9,000. Karen Brotherston, Accountant, replied that she had talked to Derickson & Gault, who said that their fees are not expected to change. The estimate is also based on the scope of the audit.

VOTE

With no further discussion, the motion carried by unanimous vote.

Ms. Eberly left at this point in the meeting.

ITEMS FOR INFORMATION AT THIS MEETING:

Grand Opening, Customer Service Center: Ed Bergeron, Marketing Administrator, told the Board that the staff had planned a full day of activities for everyone on Saturday, May 14, in conjunction with the grand opening of the CSC and the Imagination Celebration. He invited all Board members to attend, and added that staff are proud of all the changes made on 10th Street this year. Ms. Loobey added that, if the Board members' schedules would not allow them to attend the grand opening, a tour could be arranged for after the next Board meeting. She stated that the new CSC and mall changes were an excellent

facility for the District, and that the improvements allowed LTD to be more effective.

Mr. Bergeron then showed the Board some slides of the remodeling of the CSC that was then in progress.

Possible Absences of General Manager: Ms. Loobey informed the Board that her father was seriously ill in Seattle and that there might be periods of time when she would not be at work in the near future. She wanted them to know that she might have to leave on short notice and would not be able to inform the Board ahead of time.

Reports on Staff Training and Travel: Mr. Langton remarked that the reports on conferences and training seminars were a result of the policy on training and travel.

MOTION

ADJOURNMENT: Ms. Eberly moved that the Board adjourn to May 3, 1983, at approximately 9:00 p.m., or the end of the Budget Committee meeting, in the Eugene City Hall. Mr. Parducci seconded the motion, and the meeting was unanimously adjourned at 8:40 p.m.

VOTE


Secretary