

MINUTES  
LANE TRANSIT DISTRICT  
FACILITIES COMMITTEE  
APRIL 21, 1987

Pursuant to notice given to the Register-Guard for publication on April 17, 1987, the Facilities Committee of the Board of Directors of Lane Transit District met on Tuesday, April 21, 1987, at 12:00 noon at the District offices at 1944 West 8th in Eugene, Oregon.

Present:

Board Members:	Janet Calvert Gus Pusateri
Community Representative:	Bruce Hall
Staff Members:	Phyllis Loobey Stefano Viggiano Ed Bergeron Shannon Evonuk, Recording Secretary
Consultant:	Eric Gunderson

Absent:

Board Member:	Janice Eberly
Community Representative:	Jim Ivory

Before formally beginning the meeting, Board members reviewed the design model for the new facility. It gave an excellent perspective of what the layout will be for the new site.

Ms. Calvert then brought the meeting to order. She asked for approval of the minutes. Mr. Pusateri moved, Ms. Calvert seconded the motion, and the minutes of the March 31 meeting were unanimously approved.

EXECUTIVE SESSION:

Mr. Pusateri moved to go into Executive Session pursuant to ORS 192.660(1)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions. Ms. Calvert seconded the motion, which then carried.

## RETURN TO REGULAR SESSION:

After returning to regular session, Ms. Loobey explained the current situation with lottery funds. She said the District has targeted obligating all of the \$300,000 of lottery funds from the state by June 30. As was discussed at the last regular Board meeting, the District assigned \$100,000 of the money to the Salem and Rogue Valley Transit Districts, leaving \$200,000 dedicated for the land purchase. The two transit districts have current uses for the money, and will reimburse the District after July 1, 1987. If the entire \$300,000 had not been obligated by the three districts by the end of the current fiscal year, the funds would not have been available for transit capital construction projects.

Related to the reimbursement of the \$100,000 is a recent U. S. Supreme Court decision regarding stripper well funds. The ruling held that oil companies had received too much credit on stripper well production, and now must reimburse the surplus tax credits. The funds thus received have been designated for low-income and energy conservation projects, including transit. Six to eight million dollars has been apportioned to Oregon from the stripper well funds. Salem and Rogue Valley Transit Districts will reimburse the \$100,000 from State lottery funds that the District has loaned to them.

Janet Calvert said that she thought the situation with the stripper well funds was more tenuous than described. Ms. Loobey replied that the \$2 million spread is due to a point of contention on public hearing requirements regarding this money.

Mr. Viggiano added that, prior to the exchange of the lottery funds, the District had a site work deadline; however, that matter is not as urgent at this point.

In answer to a question from Mr. Pusateri, Mr. Viggiano said that the District is planning to contract separately for the dismantling of the Eugene Drive-In movie screen that contains asbestos.

Design Approval: Mr. Viggiano said he is looking for a recommendation on the design and on the cost estimate, as related to the Section 3 grant amendment. To agree on one recommendation would be the same as agreeing on the second, as they are interrelated. Because Mr. Gunderson had explained the design at the last meeting, Mr. Viggiano said he simply wanted to answer any questions from the committee members about the design, and then to go directly into discussion of the cost estimate.

Ms. Calvert wanted to know how the parking lot would be stabilized with the placement of the underground gas tanks. Mr. Gunderson said that a concrete block, adhered by a strap to the tanks is normally used. Attachment with rock bolts is a possible solution, although he needs to investigate it further.

A design development booklet, which includes reduced-scale drawings of the buildings, was given to the committee members and will be distributed to the remaining Board members. It is to be used as a reference booklet.

The current cost estimate for the facility is almost identical to the 1986 estimate--remaining within \$1,000. Mr. Gunderson and the cost estimator have worked to keep costs down, and have found more cost-saving solutions. There have been reductions in cost in the overall project, although other costs have come into play, such as permits and fees that staff were not initially aware of, and an increase in consultant and staff time. There have also been changes in the scope of the work, including additional work on the Spicer property.

Another matter to come up is that the water system on the site does not have enough pressure to operate the proposed sprinklers needed for the property. To install a needed EWEB water main line will cost \$102,000; however, the District would eventually be reimbursed for part of this cost as other future developments in the area would need to tap into this line. Another \$25,000 is dedicated to interior landscaping, including plants and art work.

The construction contract estimate is now much lower than was previously estimated--by over \$300,000. Mr. Gunderson explained that there are some key elements to the construction costs savings: 1) The first is due to the method of contracting, which showed the largest single savings. There will be a total of three contracts--one for all of the site work, one for the buildings and equipment, and one for the furniture for the office buildings. 2) Other cost-saving elements included switching some of the items from one contract to another, such as having the EWEB contract switch from the construction contract to owner-furnished items. 3) Life-cycle costing was another key element in cost savings. A good example of this would be in the area of the primary power service. There are two power rates available: regular and primary power. With the latter option, the District would have had to buy its own transformer at a cost of \$70,000. The payback for doing this has been researched, but was not found to be justified; therefore, the \$70,000 initially budgeted for this has now been taken out of the budget.

After the adjustments were made to the construction costs, the contingency was lowered, as the construction costs are now closer to actual costs; however, the market adjustment has gone up radically. Both the Sacred Heart and the University of Oregon Riverfront Park projects have been delayed, causing them to go out to bid at approximately the same time as the District's project; therefore, the contractors are busier, causing the bidding to become less competitive. Because of this, the three-percent market adjustment that was previously projected has been increased to six percent, adding \$216,000 to the overall budget. Ms. Calvert asked what would happen if the District delayed its project for a couple of months. Mr. Gunderson replied that staff considered this, but, although some construction costs might be saved, other factors brought that savings back down.

Mr. Viggiano commented that, in the overall budget, there is not a great amount of contingency. He noted that the final session of value engineering is yet to come, and should also produce some cost savings. Mr. Pusateri asked if the District is going to submit this budget to UMTA this month, to which Mr. Viggiano replied yes. Mr. Pusateri wondered if

staff felt comfortable with the amount of funds being requested--in case there are other costs that drive up the cost in the final analysis. Mr. Viggiano replied that, if more money is needed, it would have to come out of other grant money. Mr. Gunderson said that another "safety valve" would be the value engineering recommendations, which should show some savings in the proposed budget.

Mr. Viggiano said that UMTA staff have stated that they must receive the modified grant application by the end of April in order to have the money available to the District by the Fall of 1987, which is when the District will be preparing the construction bid. He explained that Section 9 funds will be spread out over three years. Section 18 funds, which are to be used for non-urban areas exclusively, will also be used, as service will be provided to non-urban areas.

Mr. Viggiano told the members that staff were asking for the committee's approval on two related areas: to recommend approval on the design for the new facility, and to recommend approval on the increase of \$842,856 to the Section 3 grant application. Ms. Calvert called for more questions on the design, to which there were none. Mr. Pusateri moved to recommend to the Board of Directors approval of the design resulting from the design development phase. Ms. Calvert seconded, and the motion passed unanimously. Mr. Pusateri then moved to recommend to the Board of Directors approval of a Section 3 grant amendment consistent with the current cost estimate. Ms. Calvert seconded this motion, and it also passed unanimously.

Mr. Viggiano commented that, if site work is not done this summer, it could be done next spring, which would not significantly increase costs if the work would wait until the warmer spring months. If this course is followed, September 1989 would be the new move-in date.

Mr. Viggiano said that the next meeting would include discussion of the land for the new facility. He will contact members when a date is set for that meeting.

  
Recording Secretary