

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Thursday, September 15, 1988

Pursuant to notice given to *The Register-Guard* for publication on September 13, 1988, a special meeting of the Board of Directors of the Lane Transit District was held on Thursday, September 15, 1988 at 7:30 a.m. in the City of Eugene Permit and Information Center Conference Room at 244 East Broadway, Eugene.

Present: Tom Andersen  
Peter Brandt, Treasurer  
Janet Calvert, President, presiding  
Keith Parks  
Gus Pusateri, Secretary  
Phyllis Loobey, General Manager  
Jo Sullivan, Recording Secretary

Absent: Janice Eberly, Vice President  
Rich Smith

CALL TO ORDER: Ms. Calvert called the meeting to order at 7:30 a.m. She welcomed Tom Andersen as a new Board member, replacing Dean Runyan. Mr. Andersen had been confirmed by the Senate earlier in the month.

AUDIENCE PARTICIPATION: There was no audience participation at this meeting.

**MOTION** LANE TRANSIT DISTRICT CONTRACT REVIEW BOARD SESSION TO REVISE LTD  
**VOTE** CONTRACT REVIEW BOARD RULES: Mr. Parks moved that the Board recess into a session of the LTD Contract Review Board. The motion was seconded and carried unanimously. Johni Giralt, LTD's purchasing agent, explained that on May 5, 1988, the Urban Mass Transportation Administration (UMTA) had changed the procedures for formal versus informal purchasing procedures. She said she was recommending that the LTD Contract Review Board (LTD/CRB) adopt those changes, and increase the informal bidding process limitation from \$10,000 to \$25,000, which is in compliance with the federal regulations.

Ms. Giralt explained that for public procurement purposes, LTD is governed by Oregon Revised Statutes (ORS) 279, and by federal laws. LTD balances the state statutes and federal laws. LTD's Contract Review Board Rules and the LTD Purchasing Handbook were adopted in lieu of the Oregon Administrative Rules (OAR), the Department of General Services Policies, or the Attorney General's Model Rules.

Ms. Giralt stated that all procurements are to be let on a competitive basis. How the procurement is let for public solicitation is

determined by either a formal or informal procurement process or method. Generally, formal procurements are in written form with a specific bid-closing date and time. Formal bids are always advertised. An informal procurement process may involve either written or verbal competitive quotes, and is less expensive to process.

Mr. Parks asked if federal laws override state laws. Ms. Giralt explained that the laws are supposed to interconnect, but if a federal law is stricter, the District needs to comply with the federal law because LTD receives federal funds. The LTD Contract Review Board, however, adopted the LTD Contract Review Board Rules in lieu of adopting the State of Oregon's Administrative Rules and Policies, and has the power to make changes to its own Rules. This is the basis for the recommended change to the federal limit of \$25,000 for informal procurement methods, rather than the \$15,000 limit in the State's OAR.

MOTION Mr. Parks moved that the LTD Contract Review Board accept the staff recommendation to adopt the Resolution amending Sections 3 and 4 of the Rules of the LTD Contract Review Board, replacing UMTA Circular 4220.1A with UMTA Circular 4220.1B and raising monetary limitations for small procurement procedures from \$10,000 to \$25,000. Mr. Pusateri seconded the motion. There was no further discussion, and the motion carried by unanimous vote.

VOTE

MOTION RETURN TO REGULAR SESSION: Mr. Anderson moved that the LTD/CRB return to regular session of the LTD Board of Directors. Mr. Parks seconded, and the motion carried unanimously.

VOTE

MOTION APPROVAL OF MINUTES: Mr. Parks moved that the minutes of the July 20, 1988 special meeting, the August 17, 1988 regular meeting, the August 19, 1988 emergency meeting, and the August 24, 1988 emergency meeting be approved as written. Mr. Pusateri seconded the motion, and the minutes were approved by unanimous vote.

VOTE

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(h): Mr. Parks moved that the Board adjourn to Executive Session pursuant to ORS 192.660(1)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. Mr. Andersen seconded, and the motion passed unanimously. Richard Bryson, District Counsel, was present at the meeting.

VOTE

MOTION RETURN TO REGULAR SESSION AND DECISION TO ACCEPT JURY VERDICT FOR LAND ACQUISITION: After the Board returned to regular session, Mr. Brandt moved that the Board authorize the General Manager to accept the jury's verdict, plus any interest, costs, disbursements, or expenses that may be awarded by the Court, and authorize her to take the necessary steps to obtain judgment appropriating the property to the District and to cause payment to be made therefore, and to recover all unused deposits. Mr. Parks seconded the motion. There was no further discussion, and the motion passed by unanimous vote.

VOTE

Ms. Calvert thanked Mr. Bryson for all his work. Mr. Parks said he wanted to publicly praise the District's attorney for all his efforts, and staff for all the time they spent working on and worrying about the land acquisition court case. Mr. Bryson also thanked staff for their tremendous help and support.

ITEMS FOR INFORMATION AT THIS MEETING:

Facility Project Update: Ms. Loobey extended a special invitation to the Board to tour the Glenwood property at any time during the building process. If the Board wanted to tour at lunch time, staff could arrange to have a tour and lunch boxes. She said that staff are pleased with the construction schedule and the way work is being accomplished, although there are still some issues to be resolved. Stefano Viggiano, project manager, explained that the District's contractor, Dave Hyland, changed some of the subcontractors right after the bid was awarded, and the District has protested the changes. The District has now agreed to submit to arbitration as the quickest way to resolve the issue. Going through the legal system would be slow, and the contract does specify that if both sides agree, issues can be taken to arbitration.

Mr. Viggiano explained that the District is asking the arbitrator to rule that Hyland must use the original subcontractor list or, if he does not use that list, that the District will receive the savings. He said that the contract is not as clear on this issue, and District Counsel is handling this aspect.

Mr. Viggiano said that the project is on schedule with a revised schedule. The construction crew has been increased, and there is a lot more activity on the site. He said also that LTD planned to audit, or keep track of the records, of both Hyland & Sons and Walt's Construction. Ms. Giralt added that Molatore Gerbert had been selected through a personal services bidding process to provide this service. Mr. Brandt said he did not think that was necessarily the best way to select an auditor, and wondered about the cost of the audit. Ms. Giralt said it would cost between \$14,000 and \$15,000, depending on the number of hours throughout the construction process. She said it would entail a review of the documents in the contract and an on-site review of the other parties' documents used to support their figures for payment requests, in accordance with the Davis-Bacon Act. Mark Pangborn, Director of Administrative Services, stated that the District's Construction Representative, Joe Schueller, is at the construction site to monitor the contracts, and that this audit will be of the subcontractors and their costs. Mr. Brandt said he would have liked to have known who submitted bids and what the District was doing on this issue. He said that Molatore's firm does not belong to the Division of Firms, which Mr. Brandt believes to be important for quality control. Ms. Loobey offered to discuss Mr. Brandt's concerns in more detail with him following the meeting.

Prepaid Program for University of Oregon Employees: Mr. Viggiano said that the University of Oregon (UO) is interested in providing prepaid

service for its employees, similar to the new UO student pre-paid program. A final decision had not been made by the UO administration at the time of the meeting, but the tentative plan was to use parking fee revenues to pay for the service, at no cost to the employees, and with no opportunity for refunds. Mr. Pangborn said that an administrative decision which applied to all employees, such as this one, was the best from the District's standpoint. He added that the UO law students had started back to school, and rather than offending any Law School riders, the District had instructed bus operators to let everyone ride regardless of validated fee cards at this time. The Law School service is being considered as a "dry run" for the beginning of the fall term for the rest of the University, to see what problems might occur.

**Oakridge Service Update:** Mr. Parks asked if LTD staff planned to be involved in promoting the Oakridge service. Ms. Loobey replied that staff did not intend to become involved in arguing for the tax levy. She said staff would provide information on proposed service and costs, but would not be campaigning in Oakridge.

**Current Promotions:** Mr. Pangborn said that Safeway had closed two stores in Springfield and opened a new, large store. Safeway management had been concerned about maintaining the market of seniors who had easy access to the two stores before they were closed, so they approached LTD about purchasing tokens to offer to seniors who shopped at their new store in Springfield.

**Letter of Commendation:** In referring to a letter of commendation found in the agenda packet, Ms. Calvert said that it is commendable when someone feels he or she has been treated well in a bad situation, and complimented staff on receiving this letter.

MOTION  
VOTE

**ADJOURNMENT:** Mr. Parks moved that the meeting be adjourned. There was no further discussion, and the meeting was duly adjourned at 8:25 a.m.

  
Board Secretary