

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

ADJOURNED MEETING

Friday, May 26, 1989

Pursuant to notice given at the May 17, 1989, regular meeting, and distributed to persons on the mailing list of the District, an adjourned meeting of the Board of Directors of the Lane Transit District was held on Friday, May 26, 1989, at 5:00 p.m. at the Red Lion Inn, 3280 Gateway Road, Springfield, Oregon.

Present: H. Thomas Andersen, Secretary
Peter Brandt, Treasurer
Janet Calvert, President, presiding
Janice Eberly, Vice President
Keith Parks
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Gus Pusateri
Rich Smith

CALL TO ORDER: Ms. Eberly called the meeting to order at 5:15 p.m., with Board members Andersen, Brandt, Eberly, and Parks present. She announced that she had received a letter from the Governor's office that day, saying that she would not be reappointed to the Board of Directors.

AUDIENCE PARTICIPATION/WORLD VETERANS' CHAMPIONSHIPS REQUEST: Ms. Loobey gave the Board copies of a staff proposal to offer free service on all routes to participants in the World Veterans' Championships being held in Eugene/Springfield this summer. She explained that, in addition to the use of shuttles from the hotels and motels to various athletic fields, staff propose that the athletes be allowed to use the entire system for their other transportation needs. The participants will be issued passes for the shuttles, which they would also be allowed to use on regular routes. Ms. Loobey stated that the World Veterans' Championships had chartered \$40,000 worth of shuttle service from LTD and other local providers.

Ms. Loobey introduced Thomas Jordan and Barbara Kousky, Executive Director and Executive Secretary of the VIII World Veterans' Championships, who were present to discuss the proposal with the Board. Ms. Kousky told the Board that the shuttle system is part of the reason that the proposal to hold the Games in Eugene/Springfield had been accepted. She said that Games organizers believe they do not have to worry about the participants' transportation to and from hotels and Games sites because of the good job done by LTD staff in this regard, and commended staff to the Board. She added that it is important to the Championships that the competitors, who come to the area first to compete and then to vacation, do so as conveniently as possible. The entire community is gearing up for this event, and Springfield is using it as a catalyst to enhance

the Broiler Festival. The direct routes of the shuttles will include Silke Field in Springfield and Hayward Field in Eugene, as well as hotels and motels. However, she said, the Championships organizers would like contestants to also be able to use the rest of the system to go other places in the community, and she liked the convenience factor of being able to use the shuttle pass on the regular system. Ms. Kousky said she thought LTD would see people from 60 countries using the system.

Mr. Parks asked if this proposal would overload the regular system. Ms. Loobey replied that the District will be able to handle the increased ridership because the Championships are being held in the summer, when ridership is normally lower. Mr. Andersen wondered how staff had determined the worst case scenario of \$4,000 in lost farebox revenue. Stefano Viggiano, Planning Administrator, explained that the number of participants is known, and staff had assumed that 5 percent of their trips in the community would be taken by bus. This lost revenue is only lost in the sense that it would have been received in addition to normal summer farebox revenues. Mr. Andersen said he thought offering free service on the regular route for participants was a good idea for many reasons.

MOTION Mr. Brandt moved that the Board approve the recommendation to offer free rides on the entire system to participants in the World Veterans' Championships in July 1989. Mr. Andersen seconded the motion, which then carried by unanimous vote. Ms. Calvert was not yet present at the meeting. Ms. Eberly thanked Ms. Kousky for her kind compliments of the staff.

APPOINTMENT OF BOARD DOWNTOWN STATION COMMITTEE: Ms. Loobey called the Board's attention to a memo on page 16 of the agenda packet, regarding the appointment of a Downtown Station Committee. The committee would work with members of the City of Eugene Planning Commission and Downtown Commission regarding a feasibility study for a new downtown station. Ms. Loobey said that Ms. Calvert had suggested that the committee be comprised of Mr. Andersen, Mr. Brandt, and Ms. Calvert, and that Mr. Andersen had already expressed an interest in the committee.

Ms. Calvert arrived at this point in the meeting.

Ms. Calvert stated that she would like to appoint Mr. Andersen, Mr. Brandt, and herself to the committee, and asked if that was agreeable to the other members present. There were no objections, so the committee appointments were made.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(h): Ms. Calvert asked the Board to move into Executive Session at that time, because the District's attorney, Randall Bryson, was planning to leave town that evening. Ms. Eberly moved that the Board move into Executive Session pursuant to ORS 192.660(1)(h), to consult with counsel regarding litigation or litigation likely to be filed. The motion was seconded and approved by unanimous vote.

RETURN TO REGULAR SESSION: The Board returned to regular session at 6:40 p.m.

MOTION APPROVAL OF MINUTES: Ms. Eberly moved that the minutes of the April 19, 1989, regular meeting and the April 26, 1989, adjourned meeting be approved as distributed. The motion was seconded and the minutes were approved by unanimous vote.

VALLEY RIVER CENTER STATION APPROVAL: Ms. Loobey stated that this item had been discussed over the last three years or so. The District had wanted to relocate the Valley River Center transit station to the north side of the Center because of traffic flow and congestion problems on the south side. After many discussions and a long process, it was determined that VRC and LTD would cooperate to design and construct a new station in the current location. The architect working on the VRC expansion, John Amundson, has now redesigned the station to eliminate some of the problems LTD has experienced on the south side.

Ms. Loobey said that staff had proposed \$250,000 for VRC improvements in the 1987-88 Capital Improvements Program (CIP). However, the Board had expressed concerns about making improvements at Valley River Center, and had instructed staff to not make any commitments regarding a new station without Board approval.

Stefano Viggiano, Planning Administrator, said that staff were seeking approval to go ahead with construction of the redesigned station. If everything goes well, he said, construction will occur in the fall of 1989. In discussing the new station, Mr. Viggiano explained that the buses will still have to circumvent the entire mall, so will still have some of the delay problems the District is experiencing now. The conceptual design for the transit station was developed by LTD and approved by Valley River Center management, and has been improved quite a bit since the conceptual stage. Mr. Viggiano used a drawing to show the Board what the station will look like when it is finished.

The new station will eliminate problems currently caused by not having a separate boarding area for different buses and by the current proximity to a truck loading area and the Montgomery Ward customer pick-up area. Features of the new design include a bus-only zone in a specific area; a shortened parking aisle and parking on one side instead of on two sides; a separate area for trucks and buses; elimination of car traffic through the bus area; and clear station assignments for different buses. There will also be quite a bit more area under shelter.

Mr. Bryson left at this point in the meeting.

Other passenger amenities include benches, a pay telephone, a clock; time table information on each side of the shelter, and lighting. Mr. Viggiano said the station will be modern looking and blend with Valley River Center, and will be the most prominent architectural feature on that side of VRC.

In response to a question from Mr. Parks, Mr. Viggiano said that the design has been approved by Valley River Center and LTD. The City will have to issue a building permit but is not otherwise involved in the approval process. Mr. Brandt commented that he had talked with Dick Hansen, VRC Manager, who said that things seem to be going well with the station improvements process.

Ms. Eberly asked if the improvements would really only cost \$125,000. Mr. Viggiano explained that the District normally arranges some cost splitting when transit stations are built on private property. For a number of years now, the agreements have been that LTD pays for structures and the private developer pays for the flat work. This has been the arrangement at the University of Oregon, Gateway Shopping Center, West 11th Fred Meyer, and others. Normally, the District pays for architectural services, but since VRC is currently making other improvements, the District used Valley River Center's architect and VRC paid those fees. Mr. Viggiano stated that LTD would normally expect to pay about \$20,000 for those services.

Because VRC paid for the architectural services, staff have tentatively agreed that LTD will pay for the structure and for pavement under the structure, and that VRC will pay for flat work outside the station. Mr. Viggiano said that the District's cost for the pavement and shelter is estimated to be about \$100,000. However, this cost is not precise because the design is not far enough along. For that reason, he said, staff were proposing that a \$25,000 contingency be included, for a total cost of \$125,000. In response to a question from Mr. Brandt, Mr. Viggiano stated that \$250,00 had been included in the budget for this project. Mr. Brandt then asked about the lease period for the station. Mr. Viggiano said that a 20-year lease period has been proposed.

MOTION

Mr. Brandt moved approval of the amount of \$125,000 for the Valley River Transit Station improvements, subject to a lease of the property for 20 years. Ms. Eberly seconded the motion. Mr. Viggiano stated that there is also a statement in the proposed lease that, in the event VRC wanted to move LTD from this location, VRC would be required to provide LTD with another facility equal to the improved south side station, subject to LTD's approval. Mr. Parks asked if that document had been signed yet. Mr. Viggiano said it had not yet been signed, but that it had come from VRC's attorney. The District is considering allowing VRC to build the shelter, and LTD would pay approximately \$100,000 up front as a 20-year lease payment. Secured access would also be part of the lease agreement.

VOTE

Mr. Brandt called for the question. The motion to approve the expenditure of \$125,000 for the Valley River transit station improvements, subject to a lease of the property for 20 years, carried by unanimous vote.

Mr. Viggiano asked if staff should bring this issue back to the Board for approval if the choice is to lease rather than own the shelter and go out to bid. The Board agreed that no further action by the Board was necessary; any purchase arrangements can be handled as an information item, as long as the cost does not exceed \$125,000.

ANNUAL INDEPENDENT AUDIT: This item was placed on the agenda at the request of the Board's Finance Committee, which had met that day to discuss a request from the District's independent auditors, Coopers & Lybrand, for additional payment as a result of a review by the District's cognizant agency, the U.S. Department of Transportation (USDOT).

Ms. Loobey explained that the District's independent auditors are hired by the Board rather than staff. Last year, the District changed auditors through a competitive bidding process, as required every few years by state and federal regulations. Additionally, hiring a new auditor to take a fresh look at the District's records was seen as beneficial to the District, even though Jones and Roth had done an excellent job for LTD over the years. Typically, she said, this year would just be an annual renewal of a contract.

Ms. Eberly asked how often the District goes out to bid for auditors. Mark Pangborn, Director of Administrative Services, replied that it is a one-year contract, with the option to renew every year for four more years, with no more than a five percent increase every year. Ms. Loobey added that different kinds of personal services contracts have different requirements.

Brentt Ramharter, Finance Administrator, explained that the work performed by LTD's auditors was reviewed by the U.S. Department of Transportation, which found incomplete documentation to satisfy the federal regulations. This is the first time that LTD's auditors have been reviewed by the cognizant agency. The single audit act requires the District's auditors to look at all the grants that are received by the District, and Mr. Ramharter suspected that the USDOT review was done on a random sampling. He said that Coopers & Lybrand had incurred some additional costs and were probably going to incur more, because it would require more work on their part to satisfy the additional documentation required by the USDOT. Mr. Ramharter added that it would require more LTD staff work, as well.

Mr. Andersen asked if the auditors were being required to do more work because they "messed up" somehow in the beginning. Mr. Ramharter said that decisions about how much testing is needed are made by professional judgment, and Mr. Brandt added that the rules had not changed. Mr. Andersen then asked if the USDOT had told the auditors that they had not done what they were supposed to do, and now Coopers & Lybrand wanted to charge LTD in order to correct the problem. Mr. Brandt replied that USDOT had told the auditors they did not do enough work.

Ms. Calvert said that the Finance Committee had wanted to inform the auditors about the potential for action at that night's meeting, but had been unable to do so. Mr. Brandt added that since this issue was not on the agenda, Coopers & Lybrand should be notified properly and given the opportunity to attend and present their case. However, the partners were not available that afternoon, so the Finance Committee thought it was probably improper for the Board to make a decision that night. However, Coopers & Lybrand wanted to begin working on the audit on June 6, but may have to delay until after the next Board meeting.

Mr. Brandt asked what would happen if Coopers & Lybrand decided to not ask for the extra money, but said they would do the audit this year for the contract amount. Mr. Pangborn said that the Board would not have to approve that; the audit would be done according to the contract, at \$7,910 plus a five percent increase.

ITEMS FOR INFORMATION AT THIS MEETING:

Lane Regional Air Pollution Authority Request for Free Service: Ms. Loobey explained that, instead of providing service for the whole community, as requested by LRAPA, staff were asking Lane County and other public agencies to take the lead in approving prepaid service for their employees, such as at the UO. Mr. Parks complimented staff on an excellent solution to the LRAPA request.

Legislative Update: Ms. Loobey briefly discussed several bills. Senate Bill 511, the tort liability bill, is dead, and House Bill 2421, the Workers' Compensation tort liability link-up, is lingering in Senate Judiciary. She said a work session might be scheduled the following week, but the bill seems to have died once it reached the Senate side. House Bill 3209, the one-cent cigarette tax, was unanimously passed out of House Revenue to the House floor that morning.

Annual Employee Picnic: Ms. Loobey invited the Board members and their families to attend the Annual ATU/LTD employee picnic on Sunday, July 23, at Shotgun Creek Park.

Transit Board Members Seminar: Ms. Loobey invited the Board members to consider attending the American Public Transit Association Transit Board Members Seminar being held July 16-20 in Santa Barbara, California. Mr. Brandt asked if staff also attend this seminar; Ms. Loobey replied that they do not. Mr. Brandt said he was interested in attending, but that it may not be worthwhile for the District to send him, since his term will expire in January 1990 and he does not expect the Governor to reappoint him to the Board.

Bus Operator's Guest Book: Ms. Loobey had with her a guest book used by bus operator Roger Rix on his Saturday downtown shuttle route. He has asked customers to sign the book as they get on the bus, and has filled the book with comments and signatures from people from all over the world, many written in another language. She said he also plots the home towns of his customers on a large map at his home. She then passed the book around for the Board members to see.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(i): Mr. Brandt moved that the Board go into Executive Session pursuant to ORS 192.660(1)(i), to discuss the employment-related performance of the General Manager. However, the Board
NO decided they did not need the privacy of an Executive Session for the discussion,
SECOND and the motion died for lack of a second.

BOARD SALARY COMMITTEE RECOMMENDATION: Mr. Brandt, Chairman of the Board Salary Committee, called the Board's attention to page 21 of the May 17 agenda packet. He explained that the Salary Committee's recommendation for the General Manager's salary and benefits package for FY 89-90 is basically a 4 percent increase in two areas, with a car allowance the same as in FY 88-89. He stated that the General Manager had received an above-average performance evaluation, with no significant problems noted, and that the Salary Committee had a good discussion with her regarding minor concerns voiced in the evaluation process.

MOTION

Mr. Brandt moved acceptance of the Salary Committee recommendation that the Board authorize the Board President to sign a contract extending the General Manager's employment through Fiscal Year 1989-90; and that the Board approve for FY 89-90 a base salary at an annual rate of \$57,200, a monthly automobile allowance of \$200, and a one-time payment of \$6,032 for an additional benefit program to be determined by the General Manager. Mr. Andersen seconded the motion.

Mr. Parks said he thought the Board was getting a bargain. Mr. Brandt said the committee also believes that, but the fact that LTD is a public agency must be taken into consideration. He explained that the General Manager's salary fits in quite well when compared with various agencies, and to go any higher would be significantly above the norm. Ms. Calvert commented that EWEB and the City of Eugene are higher, but Ms. Loobey explained that her salary was compared with department directors at the City of Eugene, to better compare number of employees and budgets managed.

Ms. Calvert said the Board members all know they are very fortunate to have a manager who runs the ship very well and encourages her staff to take initiative and do their best.

Ms. Eberly commented that two weeks ago, she and Ms. Loobey had been part of a panel discussion for the Eugene/Springfield Leadership Program regarding being on a board of directors. Others felt their input was interesting because Ms. Loobey and Ms. Eberly are both members of boards, as well as Ms. Eberly being a member of the LTD Board. Ms. Eberly said she felt good about saying that she had signed up again for the LTD Board because it is the very best she had served on, and the fact that the Board and District are run well is a good tribute to Ms. Loobey. She added that they all know when they are sitting on a bad board, and she wanted to grant Ms. Loobey the highest compliments.

VOTE

With no further discussion, the vote was taken on Mr. Brandt's motion, which passed unanimously.

ADJOURNMENT: Mr. Brandt moved that the meeting be adjourned. Ms. Eberly seconded the motion, and the meeting was unanimously adjourned at 7:35 p.m.


Board Secretary