

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, January 17, 1990

Pursuant to notice given to *The Register-Guard* for publication on January 11, 1990, and distributed to persons on the mailing list of the District, the regular meeting of the Board of Directors of the Lane Transit District was held on Wednesday, January 17, 1990, at 7:30 p.m. in the Eugene City Hall.

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

Absent: Gus Pusateri

CALL TO ORDER: The meeting was called to order at 7:30 p.m. Mr. Andersen was not yet present. Board President Janet Calvert introduced Tammy Fitch, whose name had been submitted to the Senate by the Governor to replace Gus Pusateri in subdistrict #2. Ms. Fitch was scheduled to attend a confirmation hearing in Salem on January 24. After confirmation by the Senate on January 25, Ms. Fitch would be a voting member of the Board.

BUS RIDER OF THE MONTH: Ms. Calvert introduced Brian Cunningham, the January Bus Rider of the Month, who is 12 years old and uses the bus for recreation and leisure travel. After receiving his award and key chain, Brian said that he had met a lot of really nice drivers who had helped and encouraged him.

EMPLOYEE OF THE MONTH: Ms. Calvert first introduced the December Employee of the Month, Dennis Potter, who began at LTD as a part-time bus operator in June 1983, was later promoted to full-time, and promoted to System Supervisor on September 6, 1985. Ms. Calvert told Dennis that she knew a lot of people thought he had made a significant contribution to making the whole system work well, and that the Board appreciated his efforts. Dennis said he appreciated the recognition and considered it a great honor, adding that LTD is a good place to work.

Ms. Calvert also introduced the January Employee of the Month, Inside Cleaner Diane Peterson, who was hired as a part-time employee in August 1986 and promoted to full time on March 22, 1988. Ms. Calvert described Diane as one of the special people who keep the inside of the buses clean, adding that riders always notice and comment on the cleanliness of LTD's buses. Diane received her award, letter, and check, and said she will also be happy to keep the new buses clean when they finally arrive.

FAREWELL TO BOARD MEMBER RICH SMITH: Ms. Calvert introduced another special person, Rich Smith, who had served on the LTD Board for one term. She presented Dr. Smith with a small wooden bus, saying that it was traditional to receive a wooden bus after serving on the Board. Dr. Smith stated that LTD is one of the best-run organizations he had ever seen in government and bureaucracies, with an excellent staff and general manager. He added that it was nice to finally see new faces on the Board.

Mr. Andersen arrived at this point in the meeting.

AUDIENCE PARTICIPATION: Ms. Calvert opened the meeting for participation from the audience. There was none.

MOTION
VOTE

APPROVAL OF MINUTES: Ms. Calvert stated that the Board had failed to approve the minutes of the October 18, 1989, and November 15, 1989, meetings, which had been included in the December 11, 1989, agenda packet. Mr. Andersen moved that the minutes of the October 18, 1989, regular meeting; the November 15, 1989, regular meeting; the December 11, 1989, special meeting; and the December 20, 1989, regular meeting be approved as distributed. Mr. Brandt seconded the motion, and the minutes were approved by unanimous vote.

FIRST READING OF FIFTH AMENDED ORDINANCE NO. 1: Ms. Loobey explained that LTD's Ordinance No. 1 constitutes the Board's by-laws, including a provision that provides for a meeting place for regular meetings of the Board of Directors. The current version of Ordinance No. 1 states that the Board will hold its regular meetings at the Eugene City Hall. Because a Board Room has been included in the new facility, the ordinance needed to be changed to allow meeting to be held at that location. Staff believed that the Board would be able to meet at the new facility for the first time in March. In order to do so, the amended ordinance needed to be read at two consecutive regular meetings, with adoption at the second meeting. A 30-day waiting period would allow the first meeting to be held at the new facility on or after March 21, 1990. Fifth Amended Ordinance No. 1 also included some "housekeeping" changes in the ordinance, made by District Counsel Richard Bryson to ensure compliance with Oregon law.

Ms. Loobey stated that as long as copies were available for anyone in the audience wishing to see one, the ordinance could be read by title only. Copies were available at the meeting.

MOTION
VOTE

Mr. Andersen moved that Fifth Amended Ordinance No. 1 be read by title only. Mr. Montgomery seconded, and the motion carried unanimously. Mr. Andersen then read the title of the ordinance, "Fifth Amended Ordinance No. 1, an Ordinance Providing Rules for Meetings of Lane County Mass Transit District."

ELECTION OF OFFICERS: Ms. Calvert explained that in accordance with ORS 267.102(1), the Board must elect officers every two years. The Board's four officers are President, Vice President, Secretary, and Treasurer.

Mr. Brandt nominated Mr. Andersen for President. Mr. Montgomery seconded the nomination, but Mr. Andersen respectfully declined, and the nomination and second were withdrawn.

MOTION Mr. Andersen then moved that the Board re-elect the current slate of officers. Mr. Brandt wondered if Ms. Calvert would want to be President again, she since had done it for so long. Ms. Calvert said she would accept the nomination at this point, but that there might be changes in her work load which could limit her availability in the future. Mr. Brandt seconded the motion.

MOTION Mr. Herzberg moved that the Board cast a unanimous ballot to elect the current officers for the next two years. Mr. Andersen seconded, and the motion carried by unanimous vote. Ms. Calvert said she appreciated Mr. Brandt's remarks, that being the President does take a lot of time, but at this point she can still fulfill the obligations.

VOTE

Ms. Calvert stated that at the next Board meeting, she would consider all standing committees and make new assignments to those, in order to include the three newest Board members.

ITEMS FOR INFORMATION AT THIS MEETING:

Eugene Downtown Transit Station Site Selection Committee: Planning Administrator Stefano Viggiano explained that the committee had been appointed to possibly select a site for a downtown transit station, and has been meeting since July. The members of the committee are Ms. Calvert, Mr. Brandt, and Mr. Andersen, representing the LTD Board of Directors; Gerry Gaydos, representing the Eugene Planning Commission; John Brown, representing the Downtown Commission; and Rob Bennett, representing the Eugene City Council.

Mr. Viggiano called the Board's attention to page 37 of the agenda packet for that evening. He explained that at its last meeting in November, the committee's discussion had mainly been about the scoring system that had been used to evaluate the possible sites. Staff had then taken a step back, in order to evaluate the scoring process. Individual meetings were being held with the committee members to discuss the evaluation process, and then a full committee meeting would be scheduled. A detailed analysis of the sites will occur during the summer, and a public hearing and approval process will be held in the fall.

Ms. Calvert stated that, in the long run, it is good that the process was delayed, because there have been a couple of changes downtown, including the fact that the Pankow building will not be built as planned. Mr. Andersen commented that there was no sense of unity as a result of the last meeting, so it was good that the process did not push ahead.

Facility Project Update: Mr. Viggiano said it appeared that the builder will not meet the February 5 substantial completion date for the District's new maintenance and operations facility, and a new date of February 24 had been established. Of the four buildings on the lot (maintenance, administration/operations, fuel island, and bus washer), three will be finished by February 5. Maintenance, however, will not be completed until late February, but the District can still conceivably move in by mid- or late-March. The move-in date will be assessed as it gets closer to that time. The District is assessing \$500 per day that the facility is not completed on schedule. The original completion date of September 1, 1989, was moved to October 6, 1989, because of legitimate weather

condition claims. The late fees from October 6 to December 31, when Marion Construction said the building would be completed, will probably be paid by the bonding company. After December 31, they will probably be paid by Marion Construction. Ms. Loobey explained that LTD is not privy to the contract between the bonding company and Marion.

Mr. Parks asked about Hyland & Sons' request for arbitration. Mr. Viggiano explained that when the contract was approved, the Board approved certain changes to the project. LTD and Hyland have not been able to agree on the savings from five changes. LTD estimated a return of \$170,000, and Hyland estimated \$60,000 to \$70,000. In response to a question from Mr. Andersen, Mr. Viggiano stated that LTD is dealing with the contract as one continuing contract with the bonding company, but that Hyland still does have a standing on this issue.

Mr. Herzberg asked if the Board is able to see what the change orders are for the new facility, such as the situation with finding hollow walls. Mr. Viggiano said that the Board can look at any aspect of the project in any detail. The original direction was to implement certain approved deductive change orders, and the Board would not be involved as long as the project did not exceed the budget. In response to the hollow walls, he said, a deficiency report had been made about concrete not being filled in, LTD had not signed off on the report, and the warranty on the building had been extended. He added that the building does meet the structural code.

Mr. Viggiano said also that the February 11 employee open house would probably be delayed until the building was completed.

Move-in/Grand Opening Plan: Ms. Loobey called the Board's attention to a staff memorandum on page 39 of the agenda packet, which outlined the promotion plan for the grand opening of the new facility. She said that the reason staff had made such an effort to include the Board in the grand opening activities was that it will be a major event in the history of the District. An employee open house has tentatively been scheduled for February 24; Ms. Loobey encouraged the Board to attend at that time.

A major employer preview has been planned for the top 50 or so payroll taxpayers on Thursday, May 3. Staff were asking the Board to play an important role in this event, to welcome those taxpayers who have contributed to the District's local share, which allowed construction of this facility. She said this event would follow-up an earlier invitation to payroll taxpayers to come talk to staff about the new facility during the space needs study. At that time, the response was negligible for the amount of effort made by staff, but now that the facility is built, staff believe there will be a better response to this invitation. She said staff hope the Board members will take an active and integral role in this event.

The facility dedication ceremonies are being planned for Friday, May 4. Invitations to this event would be sent to various public officials and politicians, the Oregon House and Senate delegation in Washington, DC, etc. Ms. Loobey said it would be nice to have the Board there to welcome the public officials to the property.

On Saturday, May 5, a public open house will be held. Special invitations to this event will also be sent to the payroll taxpayers who fall below the top 50 rank.

Ms. Loobey said that staff are putting a lot of energy and effort into these celebrations, and are looking at the move as a new beginning for LTD. The Board members have put a lot of effort and investment of time and commitment of the District's resources to the facility. Ms. Loobey said staff encouraged the Board to join in these events as fully as possible.

Angie Sifuentez, Marketing Representative, further explained that staff saw a major employer preview as an opportunity to talk to major taxpayers about LTD's growth and development. Ms. Calvert asked about including lunch in this event. Ms. Sifuentez said that plans are to serve box lunches, and for the taxpayers to tour the facility with hosts, which would include members of the staff and Board. After the tour, everyone would return to the Board room, where staff and the Board would answer questions.

At the public grand opening, the smaller taxpayers will be given name tags, so the Board members will know who they are. Ms. Calvert said that Board members may not be able to be there at all events. Ms. Sifuentez said that Jo Sullivan would contact the Board members to sign them up for specific times, and that staff support would be available at all times during all three events. There will also be informational materials to hand out.

Mr. Andersen said that including the Board members in these events was consistent with the goals discussed at an earlier Board meeting regarding more visibility and greater involvement for the Board in the District's activities.

Holiday Lights Joy Ride Update: Ed Bergeron, Marketing Administrator, said that public response to the holiday lights tours was very positive. He showed a tape made by a local television station, which showed people having a good time on the buses. Mr. Bergeron explained that the tours began as a promotion for LTD's new transit station at Valley River Center, to personalize LTD to new riders and validate transit's effectiveness in terms of driving around town.

Mr. Bergeron said that the sponsors were tremendously pleased with the response and excited about the possibility of offering this promotion again next year. Staff were still evaluating the promotion and had not made a decision about repeating it next year, but wanted the Board to be aware of the response by the public.

Ms. Loobey said that after the second or third night, cars made caravans behind the buses, and that everyone on the buses enjoyed singing and seeing the Christmas lights around town. People also appreciated the bus operators, because the buses went on roads where they normally would not go. Mr. Montgomery said he knew a lot of people who were unable to get tickets for the tours, and that he hoped there would be more room to accommodate more people next year.

Football Service Update: Ms. Loobey stated that football service was successful again this year. She said the bus service is being given priority

treatment from the City of Eugene traffic control, and that LTD had received marvelous cooperation from the City of Eugene.

Bus Purchase Update: Mark Pangborn, Director of Administrative Services, said that the District's application for funding to purchase 25 new buses had become complicated within a short period of time. The grant application had been submitted in March 1989, after a long process of identifying how many buses would be needed, etc. Currently, LTD has 69 lift-equipped buses, plus eight used buses purchased from Tri-Met which are not lift-equipped and are only used for back-up purposes. During peak hours, the District is at capacity; there are no more buses which can be used during the morning and evening rush hours. Mr. Pangborn explained that "at capacity" did not necessarily mean full buses, although at times many of them are full; rather, it means that there are no additional buses available to add to service, and that LTD is at capacity in terms of meeting its time schedules on the routes. Because ridership is higher, buses are stopping more frequently and taking longer to load, which makes getting from one place to another take longer, as well. Often, the supervisors have to ask buses to wait downtown for other buses which are late getting to the mall, in order for riders to make their transfers. However, this compounds the problem and makes it difficult for additional buses to complete their routes on schedule. To address this problem, the District will need to either shorten the routes or add buses into service.

Along with this, he said, new Environmental Protection Agency (EPA) regulations which require diesel engines to reduce particulate emissions are due to take effect in January 1991. Currently, there is no bus engine manufacturer which can meet these requirements. The expectation is that sometime after January 1993 those engines will be available, because in 1993 these same regulations will apply to diesel trucks, which make up about 97 percent of the diesel engine market.

Mr. Pangborn explained that LTD's grant application, which was submitted in March 1989, is now caught up in a national review of all Section 3 applications. Staff expect to receive notification of funding or no funding by the end of March 1990, at the earliest. This is a problem for the District because the one valid bid to build buses that LTD received requires 45 weeks for production, so LTD needs to be able to order buses within the next four to six weeks. Staff have been hearing for the last six months that production schedules take about one year. This means that LTD would need to make a decision to order the buses by the end of February, but at best will receive notification regarding the Section 3 money 30 to 60 days after that.

Mr. Parks asked about the delivery date. Mr. Pangborn said that the engines would have to be produced before January 1991, and the buses could be built after that. Tim Dallas, Director of Operations, added that one of the other rules for bus manufacturers is that they cannot pre-order engines in quantities higher than they have been doing in the past year, so they could not stockpile engines in order to avoid meeting the new EPA regulations deadline. In response to questions, Mr. Dallas added that LTD is not the only transit district trying to order buses before the deadline, and there is a limited number of manufacturers with a limited capacity. These manufacturers are also concerned

about increasing their capacity and then having to decrease when the EPA regulations take effect. The engines have to be produced by January 1, 1991, and the manufacturers cannot stockpile those engines much beyond February 1991. Ms. Loobey said that if LTD signed a contract before the awarding of funds, the District would prejudice its grant, and nothing ordered before the awarding of funds would be paid for with federal money.

Mr. Pangborn stated that the District's one bidder, Gillig, had said that if LTD waits until the end of March or April to sign the contract, Gillig may be at capacity and unable to fill LTD's order before 1991. Mr. Pangborn explained that Section 3 funds are not usually used for bus purchases, so other transit districts are not caught in this national review process of Section 3 applications. For instance, he said, Philadelphia just ordered 120 buses, using local funding entirely.

Mr. Pangborn then outlined the District's options regarding bus purchases. The first, he said, is to hope that the EPA regulations are not enforced until 1993, because selectively applying them to only three percent of the market creates an onerous hardship on transit districts. There is now significant pressure to delay the regulations. Congress would have to make this decision; Ms. Loobey said staff are trying to ascertain if this might happen.

Mr. Andersen asked if the regulations have to be met no matter where the money comes from. Mr. Pangborn said that was correct. Some transit districts, he said, are using alternative fuels, but that would require retooling of the new maintenance facility.

The District's second option is to use only approved funds and order 14 or 15 buses now. The average cost of a bus is \$180,000. Allowing \$4,500,000 to purchase buses and \$252,000 for spare parts, the total necessary to purchase 25 buses is \$4,752,500. The District has approval for \$360,000 in Section 18 funds, with a local match of \$90,000, which would purchase three buses. Also approved is \$140,000 in Section 9 funding, with a local match of \$35,000. The total local match available, including Section 3, is \$2,125,500. If the District wanted to use \$2,625,500 now, 14 or 15 buses could be ordered, but the District would give up \$2.6 million now pending in Section 3 funding. Mr. Parks commented that this is an alternative only if the District only wants 15 buses.

In terms of local capital, Mr. Pangborn said that by the end of the fiscal year, the District should have \$2,217,193 in unobligated reserves, not including the \$2,125,000 he just discussed. Subtracting the local match of \$2,125,500 would leave \$91,693, assuming no problems with payroll taxes, etc. At this point, LTD's capital reserves would be depleted.

Mr. Andersen said the Board had been told at the last meeting that payroll tax revenues were not meeting projections. Mr. Pangborn said the figures he had been using assumed that the District's contingency fund would be able to absorb the decrease in payroll taxes. If things improve, he said, the District could have as much as \$200,000 more in this category. Mr. Andersen said the District did expect to use its reserves, but Ms. Calvert added that LTD also had planned to have 25 buses instead of 15 at that point.

Mr. Pangborn said that if staff hear that there is a strong indication that the EPA regulations will be delayed, they would then recommend delaying a decision about the buses until the District is notified about the Section 3 funds. If LTD does not purchase buses and the EPA regulations go into effect, then the District would have a large capital reserve but not new buses, and would be frozen in that position for two years.

Mr. Montgomery asked if LTD could buy engines ahead of time with money that it has free and clear. Mr. Pangborn said he and Ms. Loobey had met with the City's lobbyist and had broached the question of LTD stockpiling its own engines and getting a contract to purchase the frames, but there is no clear indication of how UMTA would react to that situation. Mr. Dallas said he thought the key would be how the EPA would react, since the EPA had been trying to close the door on just that situation.

Mr. Brandt asked what the match would be if the funds were committed. Mr. Pangborn said the funding would be 55 percent federal and 45 percent local. The grant application had been configured that way because Secretary of Transportation Skinner had presented a new mandate for 50/50 match, and LTD was trying to get as close to that match as it could, in order to be given high priority for the funding. Ms. Loobey said she had talked with Mark Walker in Senator Hatfield's office to see if Senator Hatfield would be interested in helping with this problem, since LTD had used a greater match based on Skinner's call for higher matching funds, and it was not the District's fault that this application had been caught up with all the rest for the national review. She had also explained to Mr. Walker that LTD's need for these buses is almost desperate.

Mr. Andersen wondered if the Board could see projections regarding 15 versus 25 buses; how that would affect service, and what the extra 10 buses would provide for the District.

Mr. Brandt asked how long the bid was good for. Mr. Pangborn said in the new negotiated procurement process, specifications are discussed first, and then the price. It appears that Gillig has the equipment that can meet LTD's needs, and the price commitment can be delayed. Mr. Pangborn thought the District could specify how long the price would be good for. Mr. Brandt suggested asking for 90 days. Mr. Pangborn said UMTA had not said specifically that the application review would be done by March 30, so staff would need to check on that. Even with a 90-day bid option, however, the District cannot go much beyond February 1991 with production of its new buses, and Gillig might not accept a bid that did not include engines. Mr. Pangborn said Gillig might not be willing to hold a bid longer than 30 days, but staff would talk with them about this issue. Mr. Dallas reiterated that manufacturers have a limited capacity between now and January 1991; if LTD had a signed bid now, the manufacturer would have to reserve the space to build LTD's buses, but if the District delays too long, the space could go to transit districts with money in hand.

Ms. Fitch asked if, when Mr. Pangborn said buses were normally a low priority item for Section 3 money, that meant that there could be less chance of receiving the Section 3 funding. Mr. Pangborn said it might mean that, since

buses are not high visibility items like extension of the rail system in Atlanta, etc.; however, the application is attractive in the sense that it gets close to the requested 50/50 match. Additionally, LTD has been given priority in this region, which includes Oregon, Washington, Alaska, and Idaho, and UMTA generally distributes that money regionally.

Ms. Calvert asked when staff would need a Board decision regarding the bus purchase. Mr. Pangborn said the decision would need to be made at the February meeting, at the very latest, or possibly at a special meeting before then. Mr. Parks asked what staff will know then that they don't know now. Mr. Pangborn replied that they may hear about the EPA regulations; Gillig may say they will only hold the bid for 30 days; or UMTA may say LTD is low on the list for Section 3 funding. Mr. Parks commented that when staff and the Board first started talking about purchasing buses, they were only discussing 15 buses. Mr. Pangborn explained that using the Section 3 funds was a means of obtaining an additional 10 buses.

Mr. Montgomery stated that Orion did not submit a bid because it does not manufacture 35-foot buses. He wondered if LTD could have Gillig manufacture the 35-foot buses and let Orion bid on the others. Mr. Pangborn explained that the District would have to declare the current bid invalid and then go through the entire bid process again. Ms. Loobey added that buses from different manufacturers would require different parts, training, etc. Mr. Pangborn stated that Orion does not make a 35-foot bus big enough for wheelchair access. He added that Gillig takes small bus orders and that LTD has a good working relationship with Gillig.

Mr. Pangborn stated that if the District purchased 25 buses now, the oldest 10 would be put into reserves. If only 15 were purchased, all 15 would be put into service, the eight used buses from Tri-Met would be sold, and fewer of the oldest buses would be taken out of daily service. He said that staff would continue researching these issues, and would report back to the Board at the next meeting.

Davis Bacon Act Report: Brentt Ramharter, Finance Administrator, explained that this information item was in response to a question raised by Mr. Herzberg at an earlier meeting, regarding how other transit districts and LTD address monitoring the payment of prevailing wage rates by their contractors. Mr. Ramharter said he called other transit districts and found that the level of effort expended was in proportion to the number of contracts those districts had. Salem and LTD both file certified payrolls and spot-check randomly, but do not actually ask construction workers for their names and pay amounts. That level of effort is made by Tri-Met, however, where a full-time position is devoted to that function. Since Tri-Met is ten times the size of LTD, Mr. Ramharter called UMTA to ask what is a reasonable effort for a transit district this size. UMTA's response was that what LTD is currently doing is reasonable for its size. He said that there is currently not time to do more, but that if the Board wished more to be done, it would be arranged.

Mr. Ramharter said also that most complaints are not filed until the end of a project, because the workers do not want to lose their jobs. To monitor

more intensively, the District would have to contract with someone who could do field checking. Mr. Ramharter was not sure what this would cost. Mr. Brandt asked if the CPA firm that had been hired to check the contractor's records was also checking payrolls. Mr. Ramharter said this was the original plan, but the contract had been scaled back.

Mr. Herzberg said he brought up the question because he had been running into this problem lately, and did not want to see the Board get caught up in a similar situation. Mr. Ramharter said the District did encounter one situation where a complaint was filed; after talking with District Counsel, the complaint was referred to the Department of Labor.

Alert Regarding Federal Legislative Issues: Ms. Loobey called the Board's attention to page 54 of the agenda packet, which included a copy of a publication to which the District subscribes. She explained that Congress will be dealing with the reauthorization of the Surface Transportation Assistance Act, which will expire in September 1990, and the way in which the USDOT program would work. A number of states, including California, Texas, and Arizona, have a different view of how gas tax monies should flow back to the states than the western states do. The Clean Air Act may or may not include mandatory language about alternative fuels, and transit districts are concerned because most alternative fuels are highly volatile and highly toxic, burn invisibly, and cause detrimental effects on people who breathe the air.

Ms. Loobey had previously discussed Senate Bill 933, the Americans with Disabilities Act, with the Board. This bill had passed the Senate and would require, under current language, that transit districts provide comparable levels of service for the frail/elderly as the fixed route service. This requirement would negatively impact the district because funding would have to increase dramatically. The long-term consequences of compliance might be that LTD would have to reduce service, probably on evenings and weekends, and those who use the fixed route accessible service would have to begin using Dial-A-Ride service, which would continue to cost more and more. Ms. Loobey said she would be watching this bill and would report to the Board as she learns more.

Statewide Board/Commission Meeting: A memorandum from the Governor's office invited the Board to attend a statewide meeting in Portland, sponsored by the Governor for all governor's appointees. Mr. Parks had attended a similar meeting in the past. Since the meeting was held in Portland, it was unlikely that any Board members could spare the time to attend this year.

Budget Committee Vacancies: Ms. Loobey explained that there were three vacancies on the District's Budget Committee, as of January 1, 1990. The members whose terms had expired were Donna Fuess, who had been appointed by Rich Smith; Roger Smith, who had been appointed by Keith Parks; and John Watkinson, who had been appointed by Dean Runyan. Ms. Calvert, Mr. Pusateri, and Mr. Brandt had made appointments in 1988, and Mr. Andersen had appointed a member in 1989. Nominations, therefore, needed to be made by Mr. Parks, Mr. Montgomery, and Mr. Herzberg. Mr. Andersen suggested checking with the people who served before to see if they were willing to be reappointed. Ms. Loobey explained that the only qualification for participating on the Budget Committee was being a

qualified elector who resides in the District's boundaries. The nominees do not have to live in the same subdistrict as the Board member making the appointment. Ms. Loobey suggested also that the Board could consider handling Budget Committee appointments in a different manner, such as accepting applications from the district, as Lane County does.

Monthly Financial Reporting: Mr. Brandt asked what the contingency had been spent on. Mr. Ramharter explained that the \$125,000 was really a transfer to capital projects for the Valley River Station, not a contingency expenditure. Mr. Brandt then commented that the District's finances were looking pretty good.

Mr. Brandt asked if the Board had approved the final project for the Gateway station before going out to bid. He wondered if the Board had any say in the bid and design of such projects. Mr. Pangborn explained that both the Gateway and Valley River Stations were in the Capital Improvements Program approved by the Board during the budget process. The Board approved the Gateway station, but said it wanted final approval for the Valley River Center station, so the funds were approved but staff were directed not to spend that money without final approval from the Board. Mr. Pangborn said that it has been standard practice that approval is given during approval of the CIP, unless the Board specifically says otherwise. The contract is then awarded to the lowest responsible bidder. Construction of the new facility was handled differently, however, because of the scope of the project.

Mr. Brandt said that someone had called him and said there were two bids for the Gateway project, one for one design and another for an alternative design. This person had said the cost of the first design was ludicrous because of the cost of the glasswork required, and that he would be upset as a taxpayer if this design had been used. Mr. Pangborn replied that this project had been somewhat difficult because General Growth did not want LTD on the property, but had to allow transit access because of a regional use permit from LRAPA. The first design submitted by the District was rejected by General Growth, so a second design was submitted. This design proved to be rather expensive, so staff are working on alternatives.

Mr. Viggiano said that there were three bidders. When the angle of the roof structure was changed as an alternate bid, each of the three bidders showed a credit of \$2,500 for that change. This was not as much money as staff had anticipated the design change would save. Most of the cost was in the glazing, meant to match the General Growth facade for the shopping center. LTD has asked General Growth for permission to use alternative materials, and that request has been approved.

Ms. Calvert said she thought that staff would not need to bring all design issues to the Board, but suggested that progress reports be made, so the Board would know what is happening with construction projects.

Mr. Herzberg asked about completion of the Gateway transit station. Mr. Viggiano said staff expected to have the station functioning for the opening of the mall on March 15, but the glazing may be applied later.

ADJOURNMENT: Mr. Parks moved that the meeting be adjourned. Mr. Brandt seconded the motion, and the meeting was unanimously adjourned at 9:35 p.m.


Board Secretary