

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, October 18, 1995

~~Pursuant to notice given to *The Register-Guard* for publication on October 12, 1995,~~
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 on Wednesday, October 18, 1995, at 7:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, Vice President
Rob Bennett
Patricia Hocken, President, presiding
Dave Kleger, Treasurer
Roger Saydack
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Thomas Montgomery, Secretary
(one vacancy, subdistrict #2)

CALL TO ORDER: The meeting was called to order at 7:35 p.m. by Board President Pat Hocken. Mr. Bailey was not yet present; he arrived at 8:05, during the Executive Session.

AUDIENCE PARTICIPATION: There was no one present who wished to address the Board.

EMPLOYEE OF THE MONTH: Ms. Hocken introduced the **October 1995 Employee of the Month, Finance Technician Peggy Hamlin.** She informed the Board that Ms. Hamlin had been hired in January 1990, and had been nominated by a co-worker. The co-worker described Ms. Hamlin as an incredibly capable employee who was an asset to LTD, and who worked hard and worked smart, always with a helpful and pleasant attitude. Furthermore, the co-worker stated that Ms. Hamlin had contributed greatly to the good working relationships in and with the Finance division, and had earned the respect of her co-workers. When asked what made Ms. Hamlin a good employee, Finance Administrator Tamara Weaver said, "Peggy is an intensely focused individual. She knows what needs to get done and she works to get it done, by both a commitment to increasing her work skills and focusing on short- and long-term change in the Finance division. Peggy provides exceptional support to me and to the other members of the Finance team. Besides high productivity (Peggy gets a lot done!), she works to maintain good interpersonal relationships with all of her co-workers. Peggy is very, very good at what she does."

After receiving her award and check, Ms. Hamlin said that last year on a typically bad day, she had commented to Ms. Loobey that the next year was bound to be better. She said now that things were back on the upswing for employees at LTD and on the outside, as well, following a long period during which the District was taking a beating, both internally and externally. She stated that for the employees who persevered, things were better, and that LTD was a pretty nice place to work.

Ms. Hocken then introduced the **November 1995 Employee of the Month, Bus Operator Del Allred**. Mr. Allred was hired on January 16, 1995, and received the first-place award in the "Greenhorn Division" at LTD's 1995 Bus Rodeo. He was nominated by a customer, who stated that Mr. Allred was the "best bus driver ever." The customer said she enjoyed her bus trip because of Mr. Allred's safe driving and diplomatic way of controlling "out-of-control language" from some of the other riders, and said that she wished he drove every route that went to Junction City. When asked what made Mr. Allred a good employee, Transportation Administrator Patricia Hansen said, "He is courteous and punctual, and knows procedures well. He is also very friendly, and his customers love him. He has caught on fast and does a super job. Del is an excellent example of what LTD is all about."

After receiving his award and check, Mr. Allred said he had felt good about the job since going to work at LTD. He added that he liked the system and the people, and was very honored by this award.

MOTION **EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(e)**: Mr. Saydack moved that the Board move 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. Mr. Bennett seconded, and the motion carried by unanimous vote, with Mr. Bailey not yet present. District Counsel Greg Skillman, Leslie Berkendorf of the Oregon Department of Transportation, and John Brown, a local appraiser, were present for this discussion with the Board.

VOTE

RETURN TO REGULAR SESSION: Following unanimous approval of a motion by Mr. Saydack and seconding by Mr. Kleger to return to regular session, the Executive Session ended at 9:25 p.m.

MOTION **CONSENT CALENDAR**: It was moved and seconded that the Consent Calendar for October 18, 1995, be approved as presented. Items on the Consent Calendar were the minutes of the September 7, 1995; special Board meeting, the September 20, 1995, regular Board meeting; the September 21, 1995, special Board meeting; appointments to the Special Transportation Fund Advisory Committee; and amendments to the Special Transportation Fund Advisory Committee Bylaws. There was no discussion, and the

VOTE Consent Calendar was approved by a vote of 4:0, with Mr. Kleger temporarily out of the room.

SALARIED EMPLOYEES RETIREMENT PLAN AMENDMENT: Ms. Hocken removed this item from the agenda, stating that there were additional questions to be

answered about what actions had been taken in the past and what remained to be taken, so it would be placed on the November 1995 meeting agenda.

SUPPORT FOR CITY OF EUGENE WEST END PLAN: (Mr. Kleger returned to the meeting room during this conversation.) Ms. Hocken said she had asked for a change in the draft letter to the Mayor that was in the agenda packet, so revised drafts had been handed out that evening. ~~She had added a statement about how being supportive of housing in downtown Eugene was relevant to transit.~~ Also, since the new Eugene Station would be built before the library, she had asked to change the letter to request that the library be made compatible with the station, rather than the other way around.

MOTION Mr. Saydack moved that the Board President send the revised draft letter to the Eugene City Council and Mayor expressing the District's support for the proposed plan for development of the west portion of downtown Eugene. Mr. Kleger seconded, and the VOTE motion carried by unanimous vote.

MOTION **LTD GRANT APPLICATION TO DEPARTMENT OF JUSTICE FOR MIDDLE SCHOOL CURRICULUM:** Mr. Bailey moved that the Board approve the application to the Oregon Department of Justice for \$25,000 in grant funds to produce a transportation-related middle school curriculum. Mr. Kleger seconded, and the motion carried by unanimous VOTE vote.

DEFERRED COMPENSATION ADMINISTRATIVE SERVICES AGREEMENT WITH THE HARTFORD: Ms. Hocken explained that the District's attorney had said that no change in the Administrative Services Agreement with Hartford was necessary, so no action was required. However, if Board members wished to make a change, they should inform the Board and staff. No Board member wished to change the Agreement at this time.

FISCAL YEAR ENDING JUNE 30, 1995: Forrest Arnold of Jones and Roth, P.C., was present to discuss the independent audit for the fiscal year ending June 30, 1995. He explained that the State of Oregon mandated that all governments above a certain size be audited. A management letter expressed the opinions of the auditing firm about the District's financial performance, though one was not included this year. He explained that Oregon Minimum Standards were non-financial standards covering compliance with Oregon Budget Law, investing public funds, collateral, etc. The audit report contained two pages of comments and conclusions regarding the Oregon Minimum Standards, and Mr. Arnold said it would be a good report for the Board to look at.

Mr. Arnold explained that compliance with federal laws was mandated by the Single Audit Act of 1994. A separate audit was required for organizations receiving federal funds. This report, based on a Federal Transit Association compliance supplement, was found mostly in back of the financial statement.

Mr. Arnold said that the auditors review, study, and evaluate the system of financial control used by LTD, usually toward the end of the fiscal year. They also make physical observations of inventory, make outside confirmations of cash or receivables, and test transactions and balances in the District's books. After this, the auditors have enough information about the District's operations in order to give opinions about them.

Mr. Arnold stated that the conclusion of the audit was that everything was fine; there was nothing that the auditors felt needed to be reported in a negative sense. There were no violations of the Oregon Minimum Standards, and the District met all federal regulations. He said the auditors had some concerns going into this year regarding the change from an outside to an inside payroll system. Because it was new, the auditors spent more time reviewing it. They did not find any errors in the sample they looked at, and thought the system had excellent controls.

Mr. Bennett asked about a comparison of how the District handled its financial dealings. He wondered if the auditors discussed with staff whether they were doing something in the best way for LTD's size, or whether the District was operating as efficiently as it could, approaching the purchasing and receiving systems in a reasonable way. Mr. Arnold said that Jones and Roth performed audits of other agencies, and he was involved in four audits of comparable-sized agencies. Because the auditors were at the District and understanding and testing transactions, they had enough knowledge about the agency that they could write a management letter to make recommendations about how things could be improved. After the last two audits, they had a few comments in the management letter, although not many, which showed the good work on the part of staff. Mr. Arnold stated that LTD was the best-managed of all the agencies he worked with. He said there was always room for improvement, and the District had to adapt and adjust. In explaining why LTD was better than the others, Mr. Arnold said that good organization and good policies began at the top, with a good Board and manager, and with high standards that attracted good people who kept performing well. He said there seemed to be high standards that attracted good people to work at LTD. He stated that he spoke highly of LTD in general in the public, and that from what he could see, LTD was a well-run agency.

Mr. Arnold said that there would be no management letter this year; there was not much to say. Staff had been aggressive in changing the things the auditors had recommended. Other recommendations had been discussed with staff, and staff had determined that the benefits were not worth the cost of implementation. He commented on one area of a little concern, which was the lack of 24-hour supervision in the Parts department. There were cost constraints in having someone on duty at all times. He said that most things that could be done prudently had been done. For example, a surveillance camera had been installed for the hours when no parts staff were on duty. He stated that this concern had been brought up for two years by the auditors, and a number of things had been accomplished. Because of the auditors' understanding of operations and the financial aspects, he was not sure that Parts staff and Finance staff knew enough about what the other was doing to make him fully comfortable. He said that Jones and Roth would continue to monitor that situation and look for other things they might recommend.

Mr. Arnold explained that the auditors could not look at all the transactions for the District, but could in confidence say that based on the transactions they did review, the others should be correct, as well.

Mr. Arnold said that Mike Lewis sent his regards, and regretted that he had to be in Portland and could not attend that evening's meeting.

MOTION Mr. Bailey moved, seconded by Mr. Bennett, that the Board accept the
VOTE Comprehensive Annual Financial Report for the fiscal year ending June 30, 1995. There
was no further discussion, and the motion passed unanimously.

ITEMS FOR INFORMATION AT THIS MEETING:

Work Session on Fleet Issues and Bus Rapid Transit: Ms. Hocken said she would not be able to attend the November 15 Board meeting or a special meeting on that evening. The Board members present scheduled a work session on fleet issues and BRT for 5:30 p.m. on Wednesday, November 29. Mr. Bennett said he would like to have a discussion on congestion pricing on the agenda. However, after Mr. Bailey said that this issue was low on the agenda for the TransPlan committee, Mr. Bennett retracted his request.

Mr. Bennett said that he recently attended a meeting where the speaker stated that when development occurred near a station or park and ride, all kinds of opportunities for development opened up that were not there before. The District's BRT consultant, Graham Carey, attended the Metropolitan Policy Committee (MPC) meeting to discuss the BRT concept, so Mr. Bennett had asked for feedback. Jim Carlson asked, given the sort of development in the community, why people would use it if they had to drive to get to it. If the Park and Ride opportunities were not appropriate, the BRT system would not work. Mr. Bennett said he mentioned this as something to think about in terms of LTD's commitment in that area.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 9:55 p.m.


Board Secretary