

MINUTES OF DIRECTORS MEETING
LANE COUNTY MASS TRANSIT DISTRICT
ADJOURNED MEETING
October 19, 1978

Pursuant to notice given to the Register Guard and Springfield News on October 17, 1978, an adjourned meeting of the board of directors of Lane County Mass Transit District was held at the City Hall in Eugene, Oregon, on October 19, 1978, at 7:00 p.m.

Present:

Richard A. Booth, Secretary
Jack J. Craig
Daniel M. Herbert, Vice President
Kenneth H. Kohnen, President, presiding
Ted J. Langton, Treasurer
Glenn E. Randall
Carolyn Roemer
Fred C. Dyer, General Manager
Mavis Skipworth, Recording Secretary

The chairman advised that the adjourned meeting was being held for further discussion on the salary study prepared by Cascade Employers Association.

AUDIENCE PARTICIPATION: Mr. Kohnen opened the meeting to public comment. Following a second call with no response, he declared that part of the meeting closed.

CASCADE EMPLOYERS ASSOCIATION SALARY STUDY: Mr. Kohnen introduced William R. Shuck, Director of Wage and Salary Administration for Cascade Employers Association. Mr. Shuck responded to concerns voiced by board members at the October 17 meeting. In answer to Mr. Booth's expressed opposition to automatic salary increases, he explained that employees in the public sector usually receive automatic step increases; that, contrary to the private sector where there can be salary variations between employees in the same category as it can be not commonly known, in the public sector where information is of a public nature, conformance is an important factor in the design. He then responded to a comment by Mr. Langton that the district hired a clerk typist at \$7400 so hires at that rate are obviously available. Mr. Shuck described the association's process of arriving at the proposed figure of \$7800 from their survey, dropping the low and high 25% and using the middle 50% as a weighted average. He said this position included a salary spread of 19%, topping out in two years. He said while this is perhaps a shorter period, most firms in the private sector would start at a lower salary and offer greater possibilities to work up higher.

The chairman read a letter received from Emerson Hamilton, President of the Eugene Area Chamber of Commerce, which listed seven concerns and asked the board to defer action until the next regularly scheduled board meeting to allow the board time to present information on those questions to the chamber and to allow time for the chamber to give the report more detailed study and suggest a course of action in the wage and salary program area.

Item No. 1 in Mr. Hamilton's letter questioned if it was in conflict with the budget law for the general manager to approve merit increases and suggested that all such increases should be subject to board approval. Mr. Dyer advised that if the general manager were to recommend a merit increase, which could be considered Step 6, the board has the authorization to approve money allocations to the employees.

Responding to item No. 2 which expressed concern that the job descriptions were not objective as they were written by the individuals involved, Mr. Shuck said that as his firm was not familiar with the specific jobs, they relied upon staff for assistance in determining point values for various responsibilities and that there was consistency within the salary structure.

MOTION

Mr. Randall moved that the Salary Administration Plan for non-contractual employees be approved and that the general manager be authorized to implement the Plan effective July 1, 1978. Mr. Craig seconded the motion.

Referring to item No. 3 which stated that the five step salary structure in two years appears to be a very minimal amount of time to achieve the top grade, Mr. Shuck said he believed this concern had been answered earlier in the discussion with his comparison of the differences between private and public sectors and the opportunity afforded in the private sector for further increases.

Mr. Hamilton's letter asked, in item No. 4, for specific information on how many firms were surveyed, which firms were in the private sector survey of pay rates, and requested complete information on the transit districts and names of public employers surveyed. Mr. Shuck replied that the validity of Cascade Employers Association could be investigated.

Item No. 5 of Mr. Hamilton's letter observed that the proposed salary structure appeared to be high by local standards. Item No. 6 asserted that the problem of fringe benefits discussed in their previous testimony was not addressed in this study although the chamber believed it to be a significant part of the salary issue. Mr. Shuck said that his association was not involved in the fringe benefits.

Item No. 7 stated that the salary adjustment proposal appeared to be in error in that it cited as present salaries not the actual but those proposed to go into effect July 1, 1978. Mr. Shuck said this was incorrect as the starting salaries are those that were frozen as of July 1, 1978.

Mr. Kohnen asked Mr. Shuck to describe the charge his association had received to conduct this study. Mr. Shuck responded that they were advised there had been a wage freeze effective July 1, 1978 because of some comments by people questioning the salary levels, pending the result of a study by their association. He said there were no parameters to use, as such a basic study must be made from set jobs and it required a survey.

Mr. Kohnen then asked for a background of experience of the association and Mr. Shuck. Mr. Shuck advised that he holds Bachelor and Masters degrees in Business Administration and that he has had seven years of experience in a wide range of personnel administration; that Cascade Employers Association has been operating since 1947, starting in labor relations and extending to include civil rights and personnel work.

Mr. Craig said he had participated in salary studies of legislative and county employees and commended this study for its completeness and compactness.

Discussion followed on the budgetary effect of the proposed salary figures and the board was advised that it was in the area of \$30,000 less than budgeted. It was noted, however, that this did not include consideration of increase in salary for the general manager.

Mr. Kohnen observed that he believed the independent study was conducted by a well qualified agency. Mr. Booth said he still had concerns about the automatic step increases and questioned the legality of the general manager having authorization to approve merit increases. Mr. Herbert said he believed the general manager would have the latitude to withhold any step increase and the authority to recommend any special merit increases and said the statute directs the general manager to administer the personnel system adopted by the board. He said legal counsel could be asked to review this for any amendment necessary to confirm that the general manager has that authority.

Mr. Booth said he was opposed to the motion as there were questions raised that still have not been answered and, in order to establish good relations with the chamber, they should be given more time to study the report.

VOTE

There being no further comments, the question was put and carried with favorable vote by Craig, Herbert, Kohnen, Langton, Randall and Roemer; opposed by Booth.

MOTION

Mr. Craig moved to add to the agenda an item for discussion and consideration of the salary for the general manager. The motion was duly seconded and carried with favorable vote by Craig, Kohnen, Langton, Randall and Roemer; opposed by Booth and Herbert.

VOTE

Mr. Kohnen advised that although the general manager's salary was not included as part of the study, CEA had been asked for comparative figures and recommendations. Mr. Shuck reported that the present salary range level within the state would set the salary at \$32,500.

MOTION

Mr. Booth moved to set the general manager's salary at \$32,500 as of July 1, 1978. Mr. Langton seconded the motion and it carried unanimously.

VOTE

The meeting was adjourned.


Secretary