

**BOARD OF DIRECTORS
Salem Area Mass Transit District
April 22, 2010**

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Moved to approve the Consent Calendar	3
1. Approval of Minutes	
a. Regular Meeting of March 25, 2010	
2. Routine Business	
a. Accept the FY 2008/09 Budget Audit	
Moved to set the Budget Hearing for the Approved FY 2010/2011 Budget for Thursday, May 27, 2010 at 6:30 p.m.	3
Moved to authorize the General Manager to complete negotiations and enter into a three (3) year cost-per-vehicle-revenue-hour contract with MV Transportation, Inc. to provide ADA Paratransit Services as described in the RFP and the MV Transportation, Inc. proposal for a term beginning June 27, 2010 and ending on June 30, 2013 with a one-year renewal option thereafter at the discretion of Salem Area Mass Transit District	3
Moved to authorize the General Manager to complete negotiations and enter into a three (3) year contract with MV Transportation, Inc. to provide TripLink call center services as described in the RFP and the MV Transportation, Inc. proposal for a term beginning June 27, 2010 and ending on June 30, 2013 with a one-year renewal option thereafter at the discretion of Salem Area Mass Transit District	3
Moved to direct staff to initiate the public hearing process required to implement a fare increase that would become effective September 7, 2010 ...	4
Approved of Allan Pollock’s performance as General Manager in the following areas: the success of the system redesign; the effective budget process and the District’s ability to live within the budget; the restructuring and reorganization of the staff; his leadership in various legal negotiations; his good use of the committee structure; the fact that ARRA projects were well defined and implemented; his work on the Keizer Transit Center; his involvement with APTA and the OTA; and the fact that he represents the District very well to the public.	
Moved to approve adjusting the District’s contribution to Allan Pollock’s deferred compensation plan from 5% to 10% of his base wage each biweekly pay period effective July 1, 2010	6

MINUTES

Salem Area Mass Transit District BOARD OF DIRECTORS

April 22, 2010

Courthouse Square - Senator Hearing Room
555 Court Street NE, Salem OR 97301-3980

Call To Order &
Note Of Attendance

President Hanson called the regular meeting to order at 6:30 p.m. Attendance was noted and a quorum was present.

Present: President Shelley Hanson; Directors Bob Krebs, Kate Tarter, Marcia Kelley, Jerry Thompson, and Ron Christopher

Excused: Director Joe Green

Staff: Allan Pollock, General Manager; Mike Hansen, Director of Operations; Steve Dickey, Director of Transportation Development; Pat Mercier, Director of Finance; Gregg Thompson, Maintenance Manager; Lorna Adkins, Marketing & Communications Coordinator; Melissa Bradley, Contracted Transportation Manager; Jared Choc, Strategic Planning/Technology Services Manager; Ray Johnson, Procurement Supervisor; Ben Fetherston, SAMTD Legal Counsel; Mary Lorensen, Human Resources Division [arrived at 7:40 p.m.] Linda Galeazzi, Administrative Secretary

Guests: Practical Application For Careers and Enterprises (PACE) Team – Anna-Lisa Miller, Bakhtear Talukdar, Shieley Rodriguez, Quinn Burke; Budget Committee Chair, Claudia Howells, MV Transportation, Inc., representatives Doug Gies, Regional Vice-President; Joe Escobedo Jr., Director of Business Development-West Region

ANNOUNCEMENTS
AGENDA CHANGES

There were no announcements or changes to the agenda.

PRESENTATION

PACE Team –
• Shared-Use Park
& Ride Project

The PACE Team from the Atkinson Graduate School of Management at Willamette University gave a presentation on a Shared-Use Park and Ride Project they had worked on throughout the school year for Salem-Keizer Transit (District) with a goal to expand the park and ride program. They contacted local organizations, prepared shared-use agreements between the District and local businesses and collected feedback about the project. They talked to 39 businesses and increased local business participation with four new participants now totaling fourteen.

PUBLIC COMMENT

Eddie Plourde stated that he rides Route #17/Market Street bus and loves the changes that were made with the system redesign; and he would love to help get Saturday service back for people with disabilities. He asked if the Board would consider a self-advocate on the Board.

Mr. Pollock responded that the Board is considering a Citizen's Advisory Committee in their strategic plan.

CONSENT
CALENDAR
[6:50 PM]

No items were deferred from the Consent Calendar.

Director Thompson moved approval of the Consent Calendar. Director Kelley seconded. The Motion was passed unanimously by those present.

ACTION ITEMS
G.1 Accept FY 11
Budget and Set
Hearing [6:50 PM]

Claudia Howells, Chair of the Budget Committee presented the Fiscal Year (FY) 2010/2011 Budget approved by the Budget Committee on April 13, 2010, and asked that the Board set the Budget Hearing. [Herein given as Attachment **A** and by this reference made a part of these minutes].

Director Thompson moved to set the Budget Hearing for the Approved FY 2010/2011 Budget for Thursday, May 27, 2010 at 6:30 p.m. Director Kelley seconded. The Motion was passed unanimously by those present.

G.2 Approval of
Contracts:
a. RFP #2010-01
CherryLift
[7:00 PM]

Melissa Bradley reported on the Districts' Request For Proposal (RFP) process for contracts for CherryLift ADA Paratransit Service on pages 13-16 and for TripLink Call Center services on pages 17-18 of the agenda.

Director Thompson asked about the difference of a "per trip" charge versus charging "per vehicle ride". Ms. Bradley explained that the use of "vehicle revenue hours" is a better approach because you cannot always determine the demand.

Director Christopher moved to authorize the General Manager to complete negotiations and enter into a three (3) year cost-per-vehicle-revenue-hour contract with MV Transportation, Inc. to provide ADA Paratransit Services as described in the RFP and the MV Transportation proposal for a term beginning June 27, 2010 and ending on June 30, 2013 with a one-year renewal option thereafter at the discretion of Salem Area Mass Transit District. Director Tarter seconded. The motion was passed unanimously by those present.

b. RFP #2010-02
TripLink
[7:05 PM]

Director Christopher noted that he had asked earlier for the cost of the CherryLift and TripLink service last year and found that the District was actually getting more riders for less money with a savings of about \$200,000 according to the budget.

Director Kelley moved to authorize the General Manager to complete negotiations and enter into a three (3) year contract with MV Transportation, Inc. to provide TripLink call center services as described in the RFP and the MV Transportation proposal for a term beginning June 27, 2010 and ending on June 30, 2013 with a one-year renewal option thereafter at the discretion of Salem Area Mass Transit District. Director Krebs seconded. The motion was unanimously passed by those present.

Mr. Gies and Mr. Escobedo from MV Transportation introduced themselves. They met with District staff today and were very appreciative of their partnership with the District. They know there are concerns to be addressed but they plan to have a smooth transition and will reach out to current employees very soon. Director Thompson introduced Mr. Gies and Mr. Escobedo to a CherryLift and a Wheels employee sitting in the audience. Mr. Gies and Mr. Escobedo were happy to talk with them after the meeting.

G.3 Public Hearing
Process for Potential
Fare Increase
[7:12 PM]

Board members received a *Cash Fare and Monthly Pass Analysis* that showed comparisons of cash fares and adult monthly pass fares, farebox recovery rates and twelve (12) scenarios for raising cash fares, pass fares or both [Herein given as Attachment **B** and by this reference made a part of these minutes]. The analysis was updated to replace the charts on pages 21-24 of the agenda. Mr. Dickey reviewed the public comment process involved to consider a fare increase from pages 19-20 of the agenda. A Public Hearing will be opened at the May 27th Board meeting and will close at the July 22nd Board meeting. At that time, the Board will be asked to vote on a potential fare increase effective September 7, 2010.

Director Kelley stated that she has been on the Board a long time where there have been periodic fare increases. Reviewing fares every two years is better than having to do a large increase after a long period of time. She is glad to go before the public to discuss the fare issues. She asked how long it will take before ridership gets back to current levels. Mr. Dickey responded that they projected a loss of 7% which they hope to gain back within five months.

Director Tarter moved to direct staff to initiate the public hearing process required to implement a proposed fare increase effective September 7, 2010. Director Krebs seconded. The motion was passed unanimously by those present.

INFORMATION
ITEMS

None

REPORTS

I.1 GM – 3rd Quarter
I.2 ARRA – 3rd
Quarter [7:20 PM]

The third quarter reports for the General Manager and status of the American Recover & Reinvestment Act (ARRA) projects were received and filed.

I.3 Performance
Report – 3rd Quarter
[7:22 PM]

Mr. Dickey reported on fixed-route ridership from September 8, 2009 to March 31, 2010. This information was provided in a separate attachment of the agenda and included Ridership by Service Frequency, a System Daily Average Comparison, a Monthly Total Comparison and Monthly Total by Route. On September 8, 2009 when the system redesign was initiated, the daily average for the month was 16,302. The daily average in March 2010 was 16,404.

Board members discussed having a comparison of service by days or having an executive summary with key milestones or bullet points for easier reading. Mr. Pollock responded that better performance measuring software is on the ARRA project list and the scope of work is under review.

Director Thompson asked how the Student Bus Pass Program was impacting ridership. Mr. Dickey responded that they had no way of making that comparison yet but they expect that there will be a decrease in ridership from June to September when school is out.

Director Tarter asked about the unusual ridership pattern of Route #2/D Street-Brown Road. Mr. Dickey explained that Route #2 interconnected

with Route #13/Silverton-Brown Road. He gave examples of other similar routes and stated that people were learning how to use the routes and take new routes to get where they want to go sooner.

Director Kelley asked if the Summer Youth Pass Program will still be in effect. She has always been proud to offer that program. Mr. Dickey stated that the Summer Youth Pass Program will run from June to August at a cost of \$35.00 for the entire summer. There will also be monthly passes available.

Director Tarter asked for follow up information on the Summer Youth Bus Pass Program and the park and ride presentation given by the PACE Team.

J.3 Board
Subcommittees

Received and Filed

BOARD &
MANAGEMENT
Division Directors
General Manager

Mr. Pollock reported on his participation in the Confederated Tribes of Grand Ronde "Earth Day" activities with President Hanson and Regional Governance Day with Leadership Keizer. He met with District employees in several Round Tables as part of the strategic planning process. He thanked staff for all of their hard work in the month of April while simultaneously working on the RFP process for CherryLift and TripLink contracts, the FY 11 budget and in the recruitment process to hire a Human Resources Director. He announced that the American Public Transportation Association (APTA) will hold a Board Member Seminar in Eugene Oregon on July 17-21 and the Board will meet May 8th for a strategic planning goal setting session.

Board President
[7:40 PM]

President Hanson noted that the Board received a letter from Mark Knecht about an increase in the bus fares which will be entered into public record. [Herein given as Attachment **C** and by this reference made a part of these minutes]. President Hanson noted that she attended the Finance, Administration and Marketing (FAM) Subcommittee and the April 19th Special meeting to review the Communications Plan.

Board of Directors
[7:40 PM]

Board members reported on their activities for the month of April.

Director Christopher attended the April 5th Keizer City Council meeting where he gave a transit report. He also attended the April 12th Salem City Council meeting with Director Tarter to give a report, and met with a Keizer Chamber of Commerce representative to talk about the Keizer Transit Center and partnering opportunities.

Director Tarter attended the Community Transit Task Force (CTTF) meeting, the Keizer City Council meeting and the Salem City Council meeting. She also attended the Salem Area Chamber of Commerce meeting and SEDCOR Business Forum with Mr. Pollock.

Director Thompson attended nine meetings to include budget committee meetings, the CTTF meeting, subcommittee meetings and the Special Board meeting to discuss the draft of the communication plan. He also attended a Polk County Chemeketa Area Transportation System (CARTS) meeting where there was good attendance and renewed interest in the CARTS system.

Director Krebs presented a written record of his Board activities for April [Herein given as Attachment D and by this reference made a part of these minutes].

Director Kelley attended the SCAN neighborhood association meeting, budget committee meetings, the Special Board meeting and executive session. She attended Area Commission on Transportation (ACT) meetings where the Steering Committee was tasked with prioritizing Connect Oregon projects for the Salem/Keizer area in Region Two. She said the second ACT meeting endorsed the Steering Committee's recommendations for the Connect Oregon projects and she noted that the District's Rickreall Park & Ride project was rated number one by Polk County Commissioner Propes. She stated that the project will be very beneficial to the people in that area.

The regular Board meeting recessed at 7:45 p.m.

EXECUTIVE
SESSION

GM Performance
Evaluation

At 7:57 p.m., President Hanson announced that the Board would meet in Executive Session pursuant to ORS 192.660(2)(i) and 192.660(8) to review and evaluate the performance of an officer, employee or staff member. Board members Marcia Kelley, Jerry Thompson, Ron Christopher, Kate Tarter, Bob Krebs and President Hanson were in attendance. Mary Lorensen from the Human Resources Division and Ben Fetherston were also in attendance.

OTHER BUSINESS

President Hanson adjourned from Executive Session at 9:32 p.m. and entered into the regular Board Session. President Hanson wants the record to reflect the **Board's approval of Allan Pollock's performance as General Manager in the following areas: the success of the system redesign; the effective budget process and the District's ability to live within the budget; the restructuring and reorganization of the staff; his leadership in various legal negotiations; his good use of the committee structure; the fact that ARRA projects were well defined and implemented; his work on the Keizer Transit Center; his involvement with APTA and the OTA; and the fact that he represents the District very well to the public. The Board then unanimously approved adjusting the District's contribution to Allan Pollock's deferred compensation plan from 5% to 10% of his base wage each biweekly pay period effective July 1, 2010.**

ADJOURNMENT

President Hanson adjourned the regular meeting at 9:35 p.m.

Respectfully submitted,

Shelley Hanson
President

Attachments (4)

For Minutes of Board Meeting of April 22, 2010
ATTACHMENT A

Before the Board of Directors of the Salem Area Transit District
April 22, 2010

Accept the Budget and Set the Budget Hearing

Madame Chair and Members of the Board,

Good evening. I am Claudia Howells, 1045 Cross St. SE, Salem, Oregon. As chair of the Salem Area Transit District Budget Committee, I am pleased to present you with a balanced budget for budget year of 2010-2011, with a recommendation for approval.

I would first like to thank the elected members of the Board and the appointed members of the Citizen Committee. Members of the Citizen Committee are Dale Penn II, Dennis Kilfoil, Jeannette Holman, Steve Horning, Patrick Sieng, and Bill Holmstrom. The diligence and insight of all members of the committee made the process both productive and efficient.

I'd also like to thank General Manager Allan Pollock, Finance Director Pat Mercier, Director of Operations Mike Hanson, Director of Transportation Development Steve Dickey and all of your hard working staff. And I want to particularly thank Linda Galeazzi, who makes our job much easier.

The most significant feature of this budget is that it is balanced and sustainable. The ending balance is prudent and stable for the near future. That has come at a cost, because to achieve a sustainable budget, the district has eliminated Saturday service and reduced routes. At the same time, the redesign of the system has improved service on major corridors and the benefits of those changes have begun to be realized. Staff changes appear to be improving the efficiency of the organization and positioning the district for future challenges. Those are positives, although it is also very obvious that there is little slack in either the budget or the organization.

The total budget for the Salem Area Transit District is **\$46,210,261**, which includes all funds. Of that, **\$23,297,351**, a mix of property tax revenues, fare revenue and various state and federal fund sources, supports the fixed route system. Property tax revenues are stable, and fare box revenues are down slightly, but so are the costs, so overall the General Fund is in good shape. Projections are as they must be -- conservative.

A mix of state and federal funds allows for a fairly aggressive capital program of **\$13,007,890**. These projects will be good for the local economy in the short term, and will improve the overall operation of the system in the longer term.

For Minutes of Board Meeting of April 22, 2010
ATTACHMENT A

Specialized Transportation has a budget of almost **\$10,000,000**, again a mix of state and federal funds, plus a transfer of **\$1.6 million** from the General Fund, as required by federal law, to fund the ADA CherryLift service. We commend staff for cooperating with Marion County to provide transportation to for certain clients. This has relieved some of the pressure from the General Fund. Specialized Transportation includes CherryLift, DMAP, the Call Center, CARTS, and Contracted Transportation.

The budget committee reviewed the budget in detail and is comfortable recommending that the Board move forward with setting the budget for hearing. What stands out is that despite the many changes that have occurred over the last year, the district continues to provide quality service to the extent possible with the revenues it has at its disposal. There is no question, that a community the size of the Salem Keizer metropolitan area should have Saturday and Sunday service. There is no question that we should be expanding routes to meet the demands of growth rather than reducing the system. But, given the nature of our funding sources and the unwillingness of the electorate to increase funding levels, the district is doing the best job it can of providing public transit service to our community. A positive is that unlike other public transit budgets in the state and unlike other local budgets, the district should look forward to relatively uneventful year from a budget standpoint, and that should be a relief for users of the system and employees of the district.

Once again, it was a pleasure chairing the budget committee. The budget document was easily understood and well organized and staff presentations were clear and professional. It made our job easy. Thank you all for your commitment and hard work.

With that, I present to you the 2010-2011 Cherriots' budget and ask that you set the Budget Hearing.

Respectfully submitted.

Claudia L. Howells
Chair

Cash Fare and Monthly Pass Analysis

	Raise Pass Only					Raise Cash Fares Only					Raise Both		
	Current Est.	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7	Scenario 8	Scenario 9	Scenario 10	Scenario 11	Scenario 12
Total Cash and Pass	\$2,041,000	\$2,128,472	\$2,186,786	\$2,332,572	\$2,478,358	\$2,122,640	\$2,163,460	\$2,204,280	\$2,245,100	\$2,326,740	\$2,169,292	\$2,309,246	\$2,390,886
±Additional Revenue	n/a	\$87,471	\$145,786	\$291,572	\$437,357	\$81,640	\$122,460	\$163,280	\$204,100	\$285,740	\$128,291	\$268,246	\$349,886
w/ initial 10% drop	n/a	\$78,724	\$131,207	\$262,414	\$393,622	\$73,476	\$110,214	\$146,952	\$183,690	\$257,166	\$115,462	\$241,421	\$314,897
% Change Fare	0.00%	0.00%	0.00%	0.00%	0.00%	8.00%	12.00%	16.00%	20.00%	28.00%	4.00%	12.00%	20.00%
% Change Pass	0.00%	8.57%	14.29%	28.57%	42.86%	0.00%	0.00%	0.00%	0.00%	0.00%	8.57%	14.29%	14.29%
Base Cash Fare	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.35	\$1.40	\$1.45	\$1.50	\$1.60	\$1.30	\$1.40	\$1.50
Average Pass	\$35.00	\$38.00	\$40.00	\$45.00	\$50.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$38.00	\$40.00	\$40.00

‡ These figures do not reflect the initial loss in revenue and ridership encountered immediately after a fare increase

Cash Fare Comparison

System	Area	Base Fare	Top Fare
TriMet *	Portland	\$2.00	\$2.30
RVTD	Medford	\$2.00	\$2.00
Pierce *	Tacoma	\$1.75	\$3.00
Community *	Everett	\$1.50	\$4.50
C-Tran *	Vancouver	\$1.50	\$3.00
LTD	Eugene	\$1.50	\$1.50
BAT	Bend	\$1.50	\$1.50
Cherriots *	Salem	\$1.25	\$3.00
Basin	Klamath Falls	\$1.25	\$1.25
Intercity *	Olympia	\$1.00	\$1.00
SMART *	Wilsonville	\$0.00	\$2.50

* Cash fares or adult monthly pass for systems with multiple zone service level fare structures.

Adult Monthly Pass Comparison

System	Area	Base Adult Monthly Pass	Top Adult Monthly Pass
TriMet *	Portland	\$75.00	\$86.00
RVTD	Medford	\$70.00	\$70.00
Pierce *	Tacoma	\$63.00	\$108.00
Community *	Everett	\$54.00	\$162.00
C-Tran *	Vancouver	\$52.00	\$105.00
LTD	Eugene	\$45.00	\$45.00
Basin	Klamath Falls	\$40.00	\$40.00
Cherriots *	Salem	\$35.00	\$75.00
Intercity *	Olympia	\$30.00	\$108.00
SMART *	Wilsonville	\$30.00	\$80.00
BAT	Bend	\$30.00	\$30.00

Farebox Recovery Rate

System	Area	Fare Revenue	Operating Expense	Farebox Recovery Rate
TriMet	Portland	\$82,511,223	\$338,052,167	24.41%
Community	Everett	\$21,282,449	\$103,237,970	20.61%
RVTD	Medford	\$1,191,378	\$5,837,851	20.41%
C-Tran	Vancouver	\$6,613,087	\$37,039,981	17.85%
LTD	Eugene	\$6,282,968	\$35,460,701	17.72%
Pierce	Tacoma	\$17,732,585	\$109,327,711	16.22%
Intercity	Olympia	\$3,103,933	\$26,558,164	11.69%
Cherriots	Salem	\$3,143,900	\$27,273,454	11.53%
Bend Area Transit	Bend	\$195,900	\$2,576,963	7.60%
SMART	Wilsonville	\$133,456	\$2,996,252	4.45%

Average Farebox Recovery Rate: 15%

Operating Expenses and Fare Revenue
Include Paratransit Operations

Data source 2008 National Transit Database Reports

For Minutes of Board Meeting of April 22, 2010
ATTACHMENT C

Board of Directors

Salem area Transit District

Court House Square 555 Court St. NE

Salem, OR 97301

RECEIVED

APR 20 2010

SALEM KEIZER TRANSIT
GENERAL MANAGER

Dear: Ms. Shelly Hanson,

My name is Mark Knecht and I am the co-chair holder in the Marion County Immigrated Services Network through the Catholic community services. I have been the advocate for the ISA for six years and have spoken out on the issues concerning my fellow citizens in these harsh times. The topic that I would like to address is Agenda Item #G.3 that states an increase of Cherriot bus fairs. My concern is for those of us that have a fixed income and can not afford to pay more for transportation. The American economy has not recovered from the huge accumulation of un-employed workers due to the recession. An increase in the fair would only force more people to come up with other means to get where they are going without riding the bus. I remember a time when the bus was a cheap and affordable way to get around, now it seems as though prices are being raised all over. The best time to not raise your price is now when all of my fellow citizen's are just picking up the pieces from lost jobs and barley manageable incomes. Now is a time to set an example and show that you have the lowest prices for a reason because you care about your commuters.

Yours Respectfully,

Mark Knecht

4-22-2010

Mark Knecht

SKT Board Activities since March 25, 2010.

March 27 - Attended the Board Meeting of the Association of Oregon Rail and Transit Advocates (AORTA) in Portland.

March 30 - Volunteer courier transporting donated eye tissue from Salem to the Lions Eye Bank of Oregon in Portland.

April 2 - Attended SKT – Budget Committee Training

April 5 – Attended SKT – Community Leaders Task Force Meeting

April 6 – Attended SKT – Planning and Operations Committee Meeting

April 7 – Attended Travel Salem Boosters Meeting

April 8 – Attended SKT – Special Transportation Committee Meeting

April 8 – Attended SKT – Budget Committee Meeting

April 9 – Attended the Salem City Club Luncheon.

April 13 - Attended SKT – Budget Committee Meeting

April 19 - Attended SKT – Board Executive Session and Work Session.

Robert Krebs – 4/22/10