

**BOARD OF DIRECTORS
Salem Area Mass Transit District
May 26, 2011**

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Moved to approve Resolution #11-07 adopting the Fiscal Year 2011-2012 Budget, making appropriations, and imposing and categorizing taxes	3
Moved approval of the Consent Calendar	3
1. <u>Approval of the Minutes</u>	
a. April 28, 2011 Regular Meeting and Executive Session	
b. April 19, 2011 Joint Meeting – Marion County Board of Commissioners and SAMTD Board of Directors	
c. May 3, 2011 Special Meeting/Executive Session	
Moved to appoint Maryann Hills and Dennis Gibson to three-year terms on the STF Advisory Committee to fill the positions now vacant	3
Moved to adopt Resolution #11-08 approving the labor agreement between Salem Area Mass Transit District and the Amalgamated Transit Union Local 757; and authorizing the General Manager to execute all related documents	4
Moved to adopt Resolution #11-09 adding the Board of Directors to the District’s workers compensation policy	4

MINUTES

BOARD OF DIRECTORS Salem Area Mass Transit District May 26, 2011

City of Salem – City Council Chambers Room 240
555 Liberty Street SE, Salem, OR 97301

Call To Order &
Note Of Attendance

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

Present: President Jerry Thompson; Directors Joe Green, Kate Tarter, Marcia Kelley, Pete Jossi, Bob Krebs

Excused: Director Ron Christopher

Staff: Allan Pollock, General Manager; Pat Mercier, Director of Finance; Paula Dixon, Director of Human Resources; Steve Dickey, Director of Transportation Development; Andrew Cooper, Safety & Loss Specialist; Lorna Adkins, Marketing & Communications Coordinator; Mona West, Planning & Development Specialist; Jared Choc, Strategic Planning & Technology Services Manager; Linda Galeazzi, Administrative Secretary; Ben Fetherston, SAMTD Legal Counsel

Guests: Dennis Gibson, candidate for STF Advisory Committee membership; Bill Holmstrom, Budget Committee citizen member; Doug Rodgers, Board member-elect, Subdistrict #4; Steve Evans, Board member-elect, Subdistrict #1

ANNOUNCEMENTS There were no announcements or changes to the agenda.

PUBLIC COMMENT There were no comments.

BUDGET HEARING
[6:32 PM]
• Steve Evans
President Thompson opened the budget hearing at 6:32 p.m. for testimony on the Fiscal Year (FY) 2011-2012 Proposed Budget that had been approved by the Budget Committee on April 7, 2011 and presented to the Board of Directors at their April 28th Board meeting where they accepted the budget and set the date for the Budget Hearing.

Steve Evans – 1936 Orchard Heights Road, Salem 97304: Mr. Evans testified that he reviewed the budget and if he was not experienced in reading transportation budgets he would be confused by it. He suggested that a pie chart be used for all of the District's income and expenses to make it more understandable for the general public so they can see where the money comes from and goes; like they do with the school district budget. He is excited that the District has some surplus built into the budget and he hopes that the BETC credits are extended in some way.

President Thompson noted that Mr. Evans is the newly elected Board member for Subdistrict #1 and Doug Rodgers who was in the audience was also elected to the Subdistrict #4 position. There was no other testimony so President Thompson closed the budget hearing at 6:35 p.m.

DELIBERATION OF
BUDGET HEARING Mr. Pollock reviewed the motion to approve the Fiscal Year 2011/12 Budget that

[6:35 PM]

the Board was being asked to vote on referencing the staff report and budget committee minutes on page 1-25 of the agenda.

Director Jossi commented that under the line item for Courthouse Square Remediation in FY 2010/11, the District spent over half a million dollars; and in the proposed FY 2011/12 budget there is only \$134,000 for expenses yet Marion County and the District will be hiring an owners representative to help make a determination about the remediation and that cost is currently unknown. The budget suggests that there will be less money spent in 2011/12 than there was the year prior to cover expenses but there is so much uncertainty. President Thompson responded that one million dollars has been set aside in the Capital Projects budget (under Tab #2). Ms. Mercier stated that an additional \$180,000 is budgeted for the Courthouse Square remediation as well. Mr. Pollock explained that the funds used in the current budget were for moving costs of the transit malls and a one time only equipment purchase. The \$180,000 will be used operationally for ongoing rent and leases, etc. An owners' representative will actually be hired by the Condominium Association. By definition, the District's cost for that is 20% of the total and that is why \$1 million is set aside. The District does not yet know the cost for that or the other unforeseen expenses. Director Kelley asked if it was a contract for services rather than a hire and that it should be clarified that they are contracting for a consultant rather than hiring someone to serve as an owners' representative.

There were no other comments.

Director Kelley moved to approve Resolution #11-07 adopting the Fiscal Year 2011-2012 Budget, making appropriations, imposing and categorizing taxes. Director Tarter seconded. The Motion was passed unanimously by those present (6).

CONSENT
CALENDAR
[6:40 PM]

Director Tarter moved approval of the Consent Calendar. Director Krebs seconded. The Motion was passed unanimously by those present (6).

ACTION ITEMS
G.1 STF Advisory
Committee
Appointments
[6:41 PM]

Mona West reviewed the Special Transportation Fund (STF) Advisory Committee's recommendation on pages 51-56 of the agenda to appoint Maryann Hills and Dennis Gibson to three-year terms on the STF Advisory Committee to fill vacant positions due to the death of David Drews, and the completion of a two-term limit for Dennis Kilfoil. Ms. West introduced Dennis Gibson who spoke about his qualifications and desire to serve on the committee.

Director Tarter moved to appoint Maryann Hills and Dennis Gibson to three-year terms on the STF Advisory Committee to fill the positions now vacant. Director Kelley seconded. The Motion was passed unanimously by those present (6).

G.2 Labor Contract
Resolution #11-08
[6:47 PM]

Paula Dixon reported on the labor negotiation process and summarized major points of the proposed labor agreement from pages 57-60 of the agenda. The contract expired in December 31, 2009 and Union members have not received a wage adjustment since January 2009. The new contract would include a 2% wage adjustment in July 2011, January 2012 and in January 2013. It covers 122

represented employees - transit operators, journey mechanics, service technicians, service workers, and facility maintenance workers. The District would save approximately \$200,000 in a year through a change to a higher deductible health care plan through a new insurance provider and the contract would include incentives to reduce dependent coverage, and a plan to discuss the pension benefits package. By agreeing to contract terms, the District and the ATU Local 757 will avoid arbitration which can be long and costly; the District will be able to stay within its operating budget and service will not be affected.

Mr. Pollock, President Thompson and Directors Kelley and Tarter expressed their appreciation for the Human Resource Director, Paula Dixon, who came to the District in the midst of the negotiation process; the represented negotiating team and the Board for their guidance in this fiscally responsible process.

Director Green moved to adopt Resolution #11-08 approving the labor agreement between Salem Area Mass Transit District and the Amalgamated Transit Union Local 757; and authorized the General Manager to execute all related documents. Director Kelley seconded. The Motion was passed unanimously by those present (6).

G.3 W/C Coverage
for Board Members
Resolution #11-09
[6:52 PM]

Andrew Cooper reviewed the no fault workers compensation coverage costing approximately \$42 annually to cover medical or death benefits for Board members injured while working on the District's behalf from pages 61-62 of the agenda. He noted there was no time loss coverage since Board members volunteer, but most Boards already have this coverage. In response to questions asked, he gave examples of how a Board member is covered if they are "in service" at a District-sponsored or supported event, but not while they drive to a meeting or event; and with any incident or claim, there is an investigation process to determine coverage.

Director Krebs moved to adopt Resolution #11-09 adding the Board of Directors to the District's workers compensation policy. Director Tarter seconded. The Motion was passed unanimously by those present (6).

INFORMATION

There were no Information items.

REPORTS
I.1 Rideshare-3rd Qtr
[7:00 PM]

Steve Dickey gave the Rideshare Report from pages 63-66 of the agenda. He congratulated Roxanne Daniel, Rideshare & Outreach Coordinator who was awarded a scholarship from the Women in Transportation Foundation. He reported for the third quarter that 71 commuters were added to the rideshare database and there were 2845 commuters actively enrolled in the Emergency Ride Home Program. The database total of 4,095 active commuters and Emergency Ride Home registrants reduced vehicles miles traveled by 3,260,000 miles for an estimated cost savings of \$1,141,000. He said the District is working with PacWest on a Fast Lane Business to Business Campaign that is targeted to start in September in conjunction with the iGo Ridematching Program. Mr. Dickey referred to an article in the Statesman Journal regarding a Harvard University study on air quality pollution that was tied to 22,000 deaths; and that Rideshare numbers show how alternative public transportation service helps to reduce that problem as well as congestion.

Director Tarter spoke about the Oregon Energy Trust's incentive programs and

grants that was broached at a Finance, Administration & Marketing Subcommittee meeting. She would like to see transit-related grants developed to address issues like greenhouse gases.

I.2 Finance-3rd Qtr
[7:10 PM]

Pat Mercier reported on the third quarter of the amended FY 2010-2011 budget from pages 67-88 of the agenda. Overall, revenues in the General Fund were 15% below budget and expenditures were under by 9%. Revenue from State-in-Lieu is lagging by one quarter; BETC funds will not come in until after the school year and federal funds will come in the final quarter.

	Current Yr Budget	Current Yr Actual	% Expended
General Fund Revenue	23,634,074	\$14,033,321	59.38%
Expenditures	24,371,930	16,011,063	65.69%

I.3 Performance

Received and filed

I.4 Board
Subcommittees

Received and filed

I.5 Staff Report

Received and filed

BOARD &
MANAGEMENT
General Manager
[7:20 PM]

Allan Pollock gave the General Manager's Report for May. He thanked staff and board members who helped at ShowBiz where there was a high amount of participation and activity at the Cherriots booth. On May 19th, Mr. Pollock and Mona West attended a retirement celebration for Sally Lawson who worked for the State and served on the STF Advisory Committee. The District received recognition at the Iris Festival Sponsor Luncheon and entered a decorated "Google" bus in the parade thanks to the maintenance crew and transit operator Jerry Gordon. District offices will be closed on the Memorial Day holiday and there will be no bus service. On June 1-3, Mr. Pollock will be in Chicago to attend an APTA Small Operations Steering Committee meeting of which he is a member. He is working with the District's federal legislative advocates to arrange a local field visit and staff tour with federal legislators in June. Staff will brief them on Courthouse Square, discuss the District's funding requests and how past funding has been used. He gave an APTA legislative update on the reauthorization plan. On the state level, Mark Pangborn, President of the Oregon Transit Association (OTA) and general manager at Lane Transit District, testified on behalf of the OTA concerning the Business Energy Tax Credits (BETC) and House Bill 2582 where they anticipate that the key elements of the transit program will be sustained. Mr. Pollock noted that LTD will hire Ronald Kilcoyne from the Greater Bridgeport Transit Authority in Bridgeport, Connecticut as LTD's new general manager. Mr. Pangborn plans to retire in June after 30 years at LTD.

Board President
[7:27 PM]

President Thompson attended an event at the Early College High School to honor the winner of the District's poster contest. He attended executive sessions regarding labor negotiations, a joint Boards session with Marion County Commissioners regarding Courthouse Square. He attended a Council of Governments meeting where they discussed their budget, and he attended ShowBiz, an Iris Festival sponsor recognition luncheon, a Salem Area Chamber of Commerce luncheon with guest speakers, Governor Kitzhaber and Gerry Frank. At the Community Transit Task Force (CTTF) meeting they discussed their recommendations about next steps for the transit district that they would present to the Board of Directors. President

Thompson said a good relationship had been developed with the CTTF over the past two years and he thanked the co-chairs of that committee Dan Clem and Kate Tarter.

Board of Directors

Board members reported on their activities during the month of May to include a Courthouse Square Solutions Task Force meeting, a joint meeting with Marion County's Board of Commissioners to discuss common issues regarding Courthouse Square, the Iris Festival sponsor recognition luncheon, ShowBiz and meetings for Planning & Operations; Finance, Administration & Marketing; and Specialized Transportation subcommittees.

Director Jossi reported being impressed with the Cherriots' booth at ShowBiz where there was a great deal of enthusiasm.

Director Krebs was unavailable most of the month due to his work schedule but in addition to the meetings mentioned above, he attended Salem City Club where they had a high speed rail presentation, the Planning & Operations Subcommittee, and the Salem-Keizer Area Transportation Study (SKATS) meeting where they received an update on the proposed bridge over the Willamette River, street and road design improvements to the Kroc Center and at the Cordon Road/Hwy 22 interchange. He attended the Marion-Polk League of Women Voters annual meeting where they discussed the importance of transit and streetcars. Both Director Krebs and Director Tarter were asked to join the league. Director Krebs was asked to serve on the Eugene City Club as well where they are also interested in streetcars.

In addition to meetings mentioned, Director Kelley attended meetings of the Community Transit Task Force (CTTF), the Mid-Willamette Area Commission on Transportation (MWACT), two neighborhood associations and a Monster Cookie Ride Celebration sponsored by the Kiwanis Club where Denny Jones, a former representative from eastern Oregon was honored. Director Kelley said that Mr. Jones was over 100 years old; he was a very nice man and a man of integrity.

Director Tarter attended the Salem Chamber luncheon, the Iris Festival sponsor recognition luncheon and ShowBiz. She praised Roxanne Daniel for designing the "New Bus Smell" air fresheners that were passed out at ShowBiz where everyone who visited the Cherriots booth had a good time. She received a call from the Marion-Polk League of Women Voters that she passed on to staff. They want to do a one-year study on transportation and streetcars in Salem. She announced that there will be a ribbon cutting ceremony at the new Oregon Youth Village at the state fairgrounds on June 24th and she asked about sending thank you notes to the CTTF.

OTHER BUSINESS None

ADJOURNMENT The meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Jerry Thompson
President