

## SUMMARY

### **BOARD OF DIRECTORS Salem Area Mass Transit District**

#### **\*\*\* WORK SESSION \*\*\***

**Thursday, September 22, 2011  
City of Salem Council Chambers  
555 Liberty Street SE, Salem OR 97301**

#### CALL TO ORDER

President Thompson called the regular meeting to order at 5:32 p.m. Attendance was noted as shown below.

**Present:** President Jerry Thompson; Directors Doug Rodgers, Kate Tarter, Marcia Kelley, Bob Krebs, Ron Christopher and Steve Evans

**Staff:** Allan Pollock, General Manager; Paula Dixon, Director of Human Resources; Steve Dickey, Director of Transportation Development; Sue Quick, Director of Operations; Pat Mercier, Director of Finance; Chad Fosnight, Capital Projects Manager; Jared Choc, Strategic Planning/Technology Services Manager; Charlie Clarke, Fixed Route Operations Manager; Andrew Cooper, Safety & Loss Specialist; Mona West, Planning & Development Specialist; Linda Galeazzi, Administrative Secretary; Ben Fetherston, SAMTD Legal Counsel

**Guest:** Robert Maestre, ODOT Long Range Planning & TGM Project Manager

#### MEETING PRESENTATION

Robert Maestre gave a presentation on the Least Cost Planning (LCP) project being developed by comparing direct and indirect costs of demand and supply options to meet transportation goals, policies or both, where the intent of the process is to identify the most cost-effective mix of options. The Oregon Department of Transportation (ODOT), in consultation with local governments and metropolitan planning organizations, are working to develop a least-cost planning model for use as a decision-making tool in the development of plans and projects at both the state and regional level. It will increase transparency and the diversity of information considered in transportation decision-making and it will help provide a more accurate assessment of potential benefits relative to costs and impacts. Information on this decision making tool can be found in the ODOT website at: <http://www.oregon.gov/ODOT/TD/TP/LCP.shtml>. Mr. Maestre said the project budget is \$1 million and will take three years to complete. To date, there have been no real road blocks. Those working on the committees are interested in working toward the broader and more collaborative goals rather than achieving their own goals. They intend to have a good piece of software out to test in August.

Director Krebs stated that the LCP tool was a very good process but recalled that roads have normally been given precedence over other

transportation modes; even though we need good road systems, he hoped this planning tool would affect the policy for the way roads are funded.

Director Christopher asked if the Board could get a quarterly update on their progress.

Director Rodgers appreciated that with four diverse groups working on the LCP there would be that transparency and safeguards against manipulating data. Mr. Maestre responded with examples of how they were trying to make it a fair and public process.

Mr. Maestre spoke about there not being much money to spend even on short projects and about federal dollars being flexed to use for multi modal funding. Mr. Pollock spoke about the need to have funding for transit competitive solutions for operations.

ADJOURNMENT The Work Session was adjourned at 6:20 p.m.

**BOARD OF DIRECTORS  
Salem Area Mass Transit District  
September 22, 2011**

**Index of Board Actions**

<b><u>Action</u></b>	<b><u>Page</u></b>
Moved approval of the Consent Calendar .....	4
1. <b><u>Approval of Minutes</u></b>	
a. Regular Meeting of August 25, 2011	
Moved to approve the distribution of 2011-2013 biennium STO (Special Transportation Operating) funds in the amount of \$131,141 in accordance with the Special Transportation Fund (STF) method as listed: \$5,246 to the City of Silverton, \$44,588 to the City of Woodburn, and \$81,307 to Salem Area Mass Transit District (SAMTD) .....	4
Moved to direct staff to prepare a report that the Board can make a decision on design/build versus design/bid/build.	
Moved to accept a friendly amendment to direct staff to prepare a report of proposed findings to present to the Local Contract Review Board to support an alternative method of procurement based on design/build . .....	6

## MINUTES

BOARD OF DIRECTORS  
Salem Area Mass Transit District  
September 22, 2011  
City of Salem City Council Chambers  
555 Liberty Street SE, Salem Oregon 97301

Call To Order &  
Note Of Attendance

President Thompson called the regular meeting to order at 6:32 p.m. Attendance was noted and a quorum was present.

**Present:** President Jerry Thompson; Directors Doug Rodgers, Kate Tarter, Marcia Kelley, Bob Krebs, Ron Christopher and Steve Evans

**Staff:** Allan Pollock, General Manager; Paula Dixon, Director of Human Resources; Steve Dickey, Director of Transportation Development; Sue Quick, Director of Operations; Pat Mercier, Director of Finance; Chad Fosnight, Capital Projects Manager; Jared Choc, Strategic Planning/Technology Services Manager; Charlie Clarke, Fixed Route Operations Manager; Andrew Cooper, Safety & Loss Specialist; Mona West, Planning & Development Specialist; Linda Galeazzi, Administrative Secretary; Ben Fetherston, SAMTD Legal Counsel

**Guests:** Robert Maestre, ODOT Long Range Planning & TGM Project Manager; Steve Aanonson, TripLink Call Center Manager; Bill Holmstrom, SAMTD Budget Committee Citizen Member (Subdistrict #2)

ANNOUNCEMENTS  
& CHANGES TO  
AGENDA

Mr. Pollock announced an addition to the agenda under Information Items - G.1 "Design-Build versus Design-Bid-Build Presentation"

PUBLIC COMMENT

- David Beem
- Carol Lohcey
- Chrislyn Prantl

David Beem, address on file. Mr. Beem spoke as an advocate of people with special needs. He asked to have police presence on the transit mall from 6:00 a.m. to 9:00 a.m. He wants to get the word out to people with disabilities to keep off the streets and not hang out at the transit mall to cause problems. He also wants to be on a task force for the special needs population.

Mr. Pollock reminded Mr. Beem that there was a security coordinator on the transit mall beginning at 6:00 a.m. and the District contracts for police services with the City of Salem who are present on the transit mall Monday through Friday from 9:00 a.m. to 9:00 p.m. Mr. Pollock stated that the Board will reactivate the Consumer Advisory Committee in some fashion with the Strategic Plan that is now in place. When recruitment begins, Mr. Beem can complete an application to be considered for a position on that committee.

Carol Lohcey, Director, Spruce Villa and member, Oregon Housing & Associated Services (OHAS) Board of Directors: Ms. Lohcey spoke as an advocate for people with disabilities and said there is a need for a full, broad range of special transportation or the lives of the disabled would be significantly impeded. She spoke about the Wheels transit system being in jeopardy and that the Oregon Department of Transportation (ODOT) and

Salem-Keizer Transit (SKT) have the ability to fix that system to provide the disabled with service to work and to their doctors' appointments. She challenged the Board to work together with ODOT and OHAS to work something out before it becomes a situation.

Chrislyn Prantl, Executive Director, OHAS: Ms. Prantl asked the Board to see what can be done to fund the OHAS Wheels program which serves clients from the Marion County DD53 population. She proposed a potential savings opportunity for the Districts CherryLift program. She spoke about a rumor that the District was preparing to take over Wheels.

Director Evans asked if she was talking about not having enough money to run the DD53 program. Director Tarter said that she was concerned about their issue but did not have enough information to comment. President Thompson suggested that Board members review Ms. Prantl's proposal at the September 26<sup>th</sup> Finance & Performance Management Subcommittee meeting.

Mr. Pollock clarified distinctions between the two providers. OHAS provides service through Wheels for the DD53 program. It is a separate entity from the Districts CherryLift service for the CL53 program. The providers received notice from the State that as of June 30, 2011 the State would no longer contract through Marion County to be the pass-through agency to distribute funds to transportation providers for these programs. The funding process was also changed to a per-trip contract through the State to the provider. Mr. Pollock corrected the rumor that the District was "taking over" the Wheels program with an explanation of federally mandated ADA laws the District must adhere to as a public transit agency.

Director Tarter asked about impacts to the clients. Director Christopher asked about the main differences of the OHAS service and the District's service. Director Evans asked if there would be more cost to the District. Mr. Pollock responded that the District could provide travel training, and anyone who qualifies for CherryLift can use that service. The main difference between Wheels service provided by OHAS is that it is a door-to-door service for seniors and people with disabilities; whereas CherryLift is a curb-to-curb service for medically-qualified disabilities. There are approximately 72 qualified DD53 clients that could transition in to the CL53 program to ride CherryLift which has been funded by a 60/40% match. Ms. Mercier further explained how the method for funding changed for providers now working directly with the State.

Ms. Prantl spoke about the loss of funding for Wheels from the Business Energy Tax Credit (BETC) program which the Department of Energy determined they would no long fund. OHAS has appealed the ODOE ruling. She asked again if the Board was interested in an opportunity for a financial savings regarding the CherryLift program.

President Thompson asked her to explain what she was asking of the Board. She asked that the Board encourage staff to work with OHAS. She

would like to meet with staff on Friday to discuss adding CL53 riders from CherryLift to the Wheels program. It would help the Wheels program and be a significant savings to the CherryLift program.

Director Evans stated that they need to address this problem.

Director Kelley remarked that the District also had benefited from the BETC program which underwent major changes where numerous programs were eliminated. The District lost the entire student bus pass program. Many other transportation providers lost funding as well.

CONSENT  
CALENDAR  
D.1 Minutes [7:00 PM]

**Director Kelley moved approval of the Consent Calendar. Director Tarter seconded. The Motion passed unanimously (7)**

ACTION  
F.1 Allocation of  
STO Funds  
[7:01 PM]

Mona West reviewed the staff report from page 9-10 of the agenda regarding the allocation of Special Transportation Operation (STO) grants for seniors and people with disability services. She noted that the Special Transportation Fund (STF) Advisory Committee did not meet to discuss the allocation but staff will confer with them at their October meeting. The method used by the State was used to disperse the funds with a formula based on the percentage of the population, number of revenue hours and number of rides given during the previous biennium.

**Director Krebs moved to approve the distribution of 2011-2013 biennium STO (Special Transportation Operating) funds in the amount of \$131,141 in accordance with the Special Transportation Fund (STF) method as listed: \$5,246 to the City of Silverton, \$44,588 to the City of Woodburn, and \$81,307 to Salem Area Mass Transit District (SAMTD). Director Tarter seconded. The motion passed unanimously (7).**

INFORMATION  
G.1 Courthouse  
Square RFP:  
Design-Build/  
Design-Bid-Build  
[7:06 PM]

President Thompson asked Board members to let staff know of their availability to schedule a joint meeting with the Marion County Board of Commissioners. He announced that the Executive Committee would meet after the October 13<sup>th</sup> Finance & Performance Management Subcommittee meeting to draft criteria for the Decision Tree matrix. For Board member input, they should send their suggestions to the committee prior to their meeting. Mr. Pollock noted that these criteria would then be forwarded to Marion County to be included with their criteria in draft form. The Boards will then meet in joint session to finalize the matrix.

Mr. Pollock reviewed the revisions made to definitions for *Courthouse Square*, *remediation* and *redevelopment* that were agreed upon by the Boards at their September 19<sup>th</sup> joint meeting.

Mr. Fosnight gave a presentation on design/build and design/bid/build processes to help Board members determine which method they prefer for the remediation RFP. He defined the methods and major differences:

- **Design-Build** - system of contracting whereby one entity performs both architectural/engineering and construction under one single contract.
- **Design-Bid-Build** - contracting agency either performs the design work in-

house or negotiates with an engineering design firm to prepare drawings and specifications under a design services contract, and then separately contracts for at-risk construction by engaging a contractor through competitive bidding. He explained the advantages and disadvantages of both with typical schedules, delivery methods, flow of information, cost awareness, and legal requirements; he had examples of other public design/build projects.

There was a brief discussion about the Design/Build method in hiring regional or national contractors who then hire local contractors as subcontractors. Director Christopher asked about the process used for the original Courthouse Square building. Mr. Fosnight responded that it was built under the design/bid/build method. Director Christopher asked about the wisdom of the owners being in control of the design construction and quality of the building. Mr. Pollock advised that this was the reason for hiring an owner's representative with qualifications to handle the technicalities.

Director Evans said they need to look at what is best for the remediation process. Mr. Fosnight remarked that each method is project specific so that the Board would need to decide based on the advantages and disadvantages of each method for remediation. There are legal requirements to do "Findings" to justify the use of an alternative method by showing that it is: 1) not likely to result in favoritism or substantially diminish competition; and 2) likely to result in substantial cost savings. The Local Contract Review Board must hold a public hearing to receive public comments on the draft findings and approve the alternative. If the alternative is accepted, a report is required upon completion of the project.

President Thompson spoke about the need to do the design/build method so that they can find out what the cost of remediation will be with one step.

Mr. Fetherston recommended that staff present the factual information to the Board upon which the Board can make the Findings that are required by law. It is easier for both staff and the Board to reach the conclusions that need to be reached, to approve the alternative method of procurement; after the County has made their findings as well. Mr. Pollock noted that they are also trying to give direction to the owners' rep to draft the RFP. He asked if direction could be given to draft an RFP even though the Board has not reached a decision. Mr. Fetherston advised that direction could be given to the owners' rep in drafting the RFP on the basis of the design/build project with the understanding that the Boards may not have made their authorization yet as the Local Contract Review Board (LCRB). The consultant would need to understand that there is still a process that the Boards must go through to authorize the release of an RFP on that basis. President Thompson asked if the Board could authorize the Executive Committee to make that decision. Mr. Fetherston advised that the full Board is the LCRB under the law and technically it is the LCRB that needs to make the findings. Mr. Pollock suggested that staff come back to the Board meeting on the 27<sup>th</sup> for approval. Mr. Fetherston affirmed that this was acceptable.

Director Kelley asked about the timeline if they were to award a contract. Mr. Pollock advised that they had a goal to get the proposals back for the Boards review in January. Director Kelley asked that staff make sure to check with all of the recent legislation about contract awards for the State because some of the terminology regarding low bids, etc., may not apply. She was aware that there had been changes in State law for public bodies doing contract awards for buildings effective in June 2011 for contracts awarded beginning in January 2012; and Mr. Fetherston knows of all the other federal requirements they need to be aware of.

Mr. Fetherston advised that the appropriate action at this point would be to direct staff to develop the proposed findings to present to the LCRB. Mr. Pollock concurred with legal counsel's direction.

**Director Krebs moved to direct staff to prepare a report that the Board can make a decision on the design/build versus the design/bid/build method. Director Tarter seconded. Director Kelley added a friendly amendment to direct staff to prepare a report of proposed findings to present to the Local Contract Review Board to support an alternative method of procurement based on design/build. Director Krebs accepted the friendly amendment. Director Tarter seconded the friendly amendment. The motion passed unanimously (7).**

REPORTS  
H.1 Performance  
FY 2010/11  
[7:32 PM]

A presentation of the FY 2010/2011 Performance Report was given by Jared Choc. Impacts to service in fiscal year 2010/11 included the loss of the BETC program, transit mall relocations from June 2010 to February 2011, a fare increase in September 2010, a new CherryLift contractor in June 2010 and less inclement weather as had been experience in earlier years. CherryLift ridership decreased by 3.2%, CARTS ridership increased by .9% and while the BETC student bus pass program was in place, 31% of the fixed-route trips were youth. Overall, Cherriots ridership decreased by 3.1% for a total fixed route ridership of 4,105,313 as compared to 4,235,364 in FY 09/10 and 4,746,944 in FY 08/09. The effects of the relocation of the transit mall indicated that transit mall routes decreased by 9.67%; non-transit mall routes increased by 8.63%; and commuter routes increased by 8.64%. As a result of the system redesign in September 2009, it was reported that Cherriots safety has improved with a decrease in total vehicle accidents and vehicle accident costs.

H.2 Board  
Subcommittees  
[7:45 PM]

Minutes for the subcommittee meetings from pages 11-16 of the agenda were received and filed. Subcommittee chairs gave verbal reports of the activities in their September meetings. Director Krebs was elected to serve as Chair of the Planning & Operations Subcommittee. Director Evans was elected to serve as Chair of the External Relations Subcommittee and Director Christopher, who also serves as Treasurer for the Board, is Chair of the Finance & Performance Management (FPM) Subcommittee. The FPM Subcommittee did not have a meeting in September due to the scheduling of the joint Boards meeting on September 19<sup>th</sup> with the Marion County Commissioners.

H.3 Departmental

Report was received and filed.

Staff [7:55 PM]

**BOARD &  
MANAGEMENT**  
General Manager

Mr. Pollock's report included a review of Employee Appreciation Day on August 26<sup>th</sup> where service and safety awards were handed out. Mr. Pollock was elected to serve on the American Public Transportation Association board of directors. Charlie Clarke was introduced as the newly hired Fixed Route Manager. On August 30<sup>th</sup>, the District's Cherriots Connect Committee volunteered to work at Walker Middle School with teachers and staff in classrooms and in the library to prepare for the schools opening. This kind of outreach fulfills a strategic goal to be involved in community outreach. He announced that the Rickreall Park & Ride will have a soft opening in October. The lot has been striped and lights will go up at the end of September. Four new transit operators start training on September 8<sup>th</sup> to replace retired operators and Board members are invited to attend an employee picnic planned for September 17<sup>th</sup>.

Board President  
[8:52 PM]

President Thompson reported that he was deeply involved in the Patriots Day Field of Flags event held at Riverfront Park honoring victims of the September 11<sup>th</sup> attack in 2001. He attended a SEDCOR meeting to hear Senator Merkley speak, a joint Board meeting with Marion County to discuss Courthouse Square remediation issues, a Chamber of Commerce meeting, and the Employee Appreciation Day picnic held at the bus maintenance facility. He noted that a Board Retreat is being planned. Board members will be contacted for potential dates and times to meet.

Board of Directors  
[8:53 PM]

Director Christopher attended the September 19<sup>th</sup> joint Board meeting and noted that the Finance & Performance Management Subcommittee meeting had been cancelled due to the scheduling of the joint meeting.

Director Tarter attended the SEDCOR meeting. She participated in the joint board meeting by conference call from Arizona; and she attended the Field of Flags and Patriot Day activities which she found to be a significant and important event for the community.

Director Kelley attended the SEDCOR meeting, the City Club meeting where they discussed the economy in the State, the meetings of the External Affairs Subcommittee, Planning & Operations Subcommittee, the South Central Association of Neighbors meeting and a Willamette University Bearcats football game. She announced that the AAUW Vice-President would present a noon time lecture at the library; and spoke about how nice it would be for students at Western Oregon University if they could get something in their student newspaper about the CARTS schedule.

Director Evans expressed his appreciation of the Field of Flags Patriot Day event. He sent thank you notes to several District staff and attended meetings of the External Affairs Subcommittee; the joint board meeting regarding Courthouse Square, and the West Salem Neighborhood Association meeting to talk about the service changes in the West Salem area. He also rode on the West Salem buses to talk with riders who use

the service. President Thompson expressed his appreciation for Director Evans wife, Jane who sang at the Patriot Day Memorial ceremony and did a wonderful job.

Director Rodgers liked the idea of sending out thank you cards. He talked about his expectations of moving further along in the decision making process at the joint boards meeting but agreed to postponing any decisions until the next joint meeting. He attended the Planning & Ops Subcommittee meeting. He visited with employees at the employee picnic and attended Employee Appreciation Day. He told a moving story about persons he met at McDonalds in Keizer who shared with him their wonderful experience in riding the CherryLift bus.

Director Krebs attended the Association of Oregon Rail & Transit Advocates (AORTA) meeting in Portland, and prepared materials regarding streetcars and a transit plan. He attended the League of Women Voters transit study and annual brunch, the Planning & Ops Subcommittee meeting, the joint boards meeting, and the Employee Appreciation Day festivities. He also received a call from a constituent with comments about Route #6/12<sup>th</sup> & Battle Creek that he will pass forward to staff.

President Thompson adjourned the regular meeting at 8:10 p.m.

EXECUTIVE  
SESSION

Insurance Claim

President Thompson called the executive session to order at 8:25 p.m. pursuant to ORS 192.660(2)(h) and asked that members of the media not report, disclose, or publish the content of the executive session pursuant to ORS 192.660(4)(5).

**PRESENT:** President Thompson, and Directors Christopher, Evans, Kelley, Krebs, and Rodgers

**STAFF:** Allan Pollock, Andrew Cooper, Paula Dixon, Sue Quick, Steve Dickey, Linda Galeazzi, and SAMTD Legal Counsel. Ben Fetherston.

Mr. Fetherston informed the Board of offers on the table to settle the insurance claim for content coverage of the office spaces owned by Salem-Keizer Transit at Courthouse Square as a result of the closure of the building. Board members were asked to provide direction for the negotiating process.

OTHER BUSINESS The executive session was adjourned at 8:55 p.m. There was no other business.

ADJOURNMENT The regular meeting was adjourned at 8:56 p.m.

Respectfully submitted,

Jerry Thompson  
President