



Salem Area Mass Transit District  
Board of Directors

~ **WORK SESSION** ~

September 11, 2017

Courthouse Square – Senator Hearing Room  
555 Court Street NE, Salem, Oregon 97301

**MINUTES**

**PRESENT:** Vice-President Steve Evans; Directors Doug Rodgers, Colleen Busch, Kathy Lincoln, and Jerry Thompson; **ABSENT:** President Robert Krebs; Director Marcia Kelley

**Board**

**Staff**

Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Patricia Feeny, Director of Communication; Paula Dixon, Director of Administration; Steve Dickey, Director of Transportation Development; Linda Galeazzi, Executive Assistant; Chip Colby, Information Technology Manager; Gregg Thompson, Maintenance Manager; Brian Woodall, Procurement/Contracts Manager

**Guests**

Clark B. Williams, SAMTD Employee Benefits Legal Counsel; Citizens, Bob Busch and David Beem

**1. CALL TO ORDER**

**5:32 PM**

Vice-President Steve Evans called the work session to order at 5:32 p.m.

**2. DISCUSSION**

**a. Defined Benefit Plan Amendments for Bargaining and Non-Bargaining Employees 5:32 PM**

**Staff report:** Pages 1-6 of the agenda

**Presenter:** Paula Dixon, Director of Administration  
Clark Williams, SAMTD Employee Benefits Legal Counsel

Mr. Williams reported that the IRS issued a favorable determination letter on June 23, 2017 for the District's Defined Benefit Plans for bargaining and non-bargaining employees. The letter certified that the Plans were in full compliance with federal pension law and IRS rules and regulations. As a condition of the favorable determination, the IRS required that two technical amendments be made. Under Section 5.4 and 5.5 of each Plan a revision was made to the definition of "Break in Service" from 800 hours to 500 hours. Under Section 8.6, the "minimum distribution requirements" was restated for persons over the age of 70-1/2. The amended Plans will go to the Board for action on September 28, 2017. With approval, the amended Plans will be effective retroactive to July 1, 2010.

Mr. Williams answered questions from the Board about the meaning of “floor offset,” how the money is secured, and whether the Board can amend these plans unilaterally.

**Follow-up:** The amendments to the Plans will be attached to the staff report for the September 28 board meeting.

#### **b. Fixed Route Vehicles Procurement Update**

**5:43 PM**

**Staff report:** Pages 7-8 of the agenda.

**Presenter:** Gregg Thompson, Maintenance Manager

The Board received an update on the proposed contract with Gillig LLC for the purchase of twelve fixed-route transit vehicles for a not to exceed amount of \$6,700,883 to replace vehicles that have exceeded their useful life benchmark. The order consists of six 40-foot and six 35-foot vehicles. Funding for the contract was included in the FY2017 Budget under Capital Projects. Grant funding at \$5,907,472 with a local match at \$1,158,600 totaling \$7,066,071 will be used to pay for the vehicles. The remaining funds will be carried over to the next vehicle purchase.

Responding to questions asked by Board members, Mr. Thompson explained the buses are assembled in Hayward, California and meet *Buy America* guidelines. The District is doing a required FTA *Buy America* audit, and fare boxes from old buses will be moved to the new buses. Orientation will also be provided because the new buses will have more modern features.

**Follow-up:** Director Lincoln recommended the use of lighter weight bike racks on the front of the bus. She said the current racks are heavy and sometimes hard to maneuver. Mr. Thompson will investigate that option.

#### **c. Discussion of Public Outreach Structure**

**5:54 PM**

**Staff report:** Pages 9-20 of the agenda

**Presenter:** Patricia Feeny, Director of Communication

Board members were impressed with the *Community Outreach Structure* provided by Ms. Feeny. She gave an overview of the goals, resources, and guiding tenets; and explained how the *Mobilization Matrix* will work for effective communication. The District is building a bank of human interest stories and will provide Board members with all of the materials they need for their outreach efforts.

**Follow-up:** Director Rodgers spoke about events that are currently being planned by the neighborhood associations in his subdistrict. He is willing to set up a table with information about Cherriots.

#### **d. Senate Bill 10 Discussion**

**6:05 PM**

**Staff report:** Pages 21-22 of the agenda

**Presenter:** Allan Pollock, General Manager

Mr. Pollock briefed the Board on a meeting that he and President Krebs attended with Senators Peter Courtney and Jackie Winters to discuss any progress made on support for Senate Bill 10 since the last meeting in March. Senate Bill 10 is sponsored by Senator Courtney; he intends to reintroduce the Bill at the 2018 Legislative Short Session for action. Mayor Chuck Bennett, the Salem Area Chamber of Commerce CEO Nick Williams, SAMTD legislative advocate Dale Penn II, and Senator Courtney's staff Anna Braun and Betsy Imhoff were also in attendance. In summary, Senate Bill 10 provides that directors of certain mass transit districts are appointed by Governor instead of elected. It will eliminate restrictions on methods of financing for certain mass transit districts; and provides that current directors continue to serve until expiration of their terms, unless earlier discharged by Governor. The Bill will create new provisions; amend ORS 267.090, 267.095, 267.107 and 267.108; and repeal ORS 267.109, 267.112 and 267.302. Both TriMet and Lane Transit District currently have Governor-appointed boards. Senator Courtney initially discussed the legislative concept of Senate Bill 10 with the SAMTD Board at their February 4, 2017 Planning Retreat. Director Rodgers provided written comments to the Board on the proposed bill that were included in the agenda packet.

**Follow-up:** Anna Braun from Senator Courtney's Office will convene another meeting with the District and the Chamber to discuss the language of the bill, compromises, and other issues of mutual interest to come to an agreement.

### **3. GENERAL MANAGER COMMENTS**

**6:55 PM**

**Staff report:** Pages 23-28 of the agenda

**Presenter:** Allan Pollock, General Manager

Board members reviewed the draft agenda for the September 28, 2017 board meeting and executive sessions, the Board's calendar as of September 20, 2017, and upcoming agenda items that will be brought to the Board for action. A Board Planning Retreat is scheduled for Saturday, October 21, 2017. This meeting will be devoted to the transit-enhancement plan, service scenarios, and potential priorities.

Mr. Pollock advised that he attended the PTAC meeting where they discussed the rule making process related to the state transportation package. A draft of the rules is anticipated to be complete by January 2018.

### **4. WORK SESSION ADJOURNED**

**7:02 PM**

Submitted and Recorded by: Linda Galeazzi, Executive Assistant/Clerk of the Board