



Salem Area Mass Transit District  
Board of Directors

~ **WORK SESSION** ~

September 10, 2018

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

**MINUTES**

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

**Staff** Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Al McCoy,  
Director of Finance/CFO; Patricia Feeny, Director of Communication; Paula Dixon,  
Director of Administration; Steve Dickey, Director of Transportation Development;  
Dan Knauss, Procurement/Contracts Manager; Linda Galeazzi, Executive Assistant

**1. CALL TO ORDER** **5:32 PM**  
President Bob Krebs called the work session to order at 5:32 p.m.

**2. SAFETY MOMENT**  
Mr. Pollock presented a "Safety Moment" by reminding people that flu season is just around the corner; so to protect yourself, get a flu vaccine shot.

**3. DISCUSSION**  
**A. 2018 Triennial Review** **5:32 PM**

**Staff report:** Pages 1-28 of the agenda.

**Presenter:** Al McCoy, Director of Finance/CFO  
Dan Knauss, Procurement/Contracts Manager

Mr. McCoy introduced Dan Knauss who has been hired as the District's new Procurement/Contracts Manager.

Mr. McCoy reported on the findings from the FY2018 Triennial Review conducted by the Federal Transit Administration (FTA) on June 5-6, 2018. There were no deficiencies found in 19 of the 20 areas reviewed. A final report (pages 3-28 of the agenda) noting deficiencies, corrective action and a timetable for submitting required documentation was received by the District on July 26, 2018. The lone area with deficiencies was

Procurement. District staff is addressing the corrective action plans and documentation required for submission by mutually agreed upon deadlines by the FTA and Procurement staff. Mr. McCoy also spoke about three documents created by staff – a Grants Tracker, Milestone Progress Report and Public Engagement Report - that were identified by the reviewer as Best Practice. These will be provided as examples to other agencies to help improve their processes.

In response to questions from the Board, Mr. McCoy advised that the Department's processes and procedures have been updated; and in meeting the deadlines, there should be no further issues. He said there were no legal ramifications from the findings and grants have not been effected. Mr. McCoy commended Trish Bunsen, the Districts' Grants Administrator, for her excellent pre-work.

Mr. Knauss noted that previous contracts were in corrective action for documentation-related and procedural errors; however, there are no current contracts in jeopardy. He said he works with the Districts' legal counsel on contracts that are over \$100,000.

**Follow-up:** **Mr. Pollock advised that Procurement for many agencies is the most complex for both Finance and Project Management. There are a lot of details to keep track of. He announced that the District will host a training on project management conducted by the National Transit Institute in March 2019.**

## **B. Draft Transit Asset Management (TAM) Policy**

**5:44 PM**

**Staff report:** Pages 29-34 of the agenda

**Presenter:** David Trimble, Chief Operating Officer

Mr. Trimble reported on the development of a Transit Asset Management Policy for the District through a partnership with a consultant, ABB Enterprise Software. As part of the Federal requirements set forth in Moving Ahead for Progress in the 21st Century (MAP-21) and subsequent rulemaking, transit providers who receive Federal funding are required to adhere to a set of guidelines and standards for maintaining capital assets; reporting on their plan progress through the National Transit Database, and during the Triennial Review process. The Districts' new policy will become part of the Transit Asset Management Plan. The Board will be asked to consider the adoption of a Resolution for the Districts' TAM Policy and Plan at their September 27<sup>th</sup> meeting.

**Follow-up:** **Mr. Trimble stated that the TAM Plan was a public document and will be on the District's website when it is complete. Director Lincoln recommended that there should be a mention in the Policy of the District's goals.**

## **C. South Salem Transit Center Project Review**

**6:05 PM**

**Staff report:** Supplemental Agenda

**Presenter:** Steve Dickey, Director of Transportation Development

Mr. Dickey summarized the District's progress to construct a transit center in South Salem on Walmart property, from the year 2004 to its current status. The steps in the process involved the analysis of potential sites, scoring and selection, public outreach and involvement, and contact with Walmart representatives. Currently, the District's legal counsel has been negotiating with Walmart's legal counsel for the purchase of the property. The offer has been delivered to Walmart and is in the final stages of a forty (40) day period for Walmart to accept the offer made.

**Follow-up:** **Mr. Dickey stated that a meeting with Mr. Pollock, President Krebs has been scheduled on October 9<sup>th</sup> to meet with the District's legal counsel and himself to discuss next steps.**

#### **D. Service Enhancement Discussion**

##### **1. Fare Proposals**

**6:31 PM**

**Staff report:** Supplement Agenda

**Presenter:** Steve Dickey, Director of Transportation Development

Mr. Dickey presented the proposals for youth, students in 6<sup>th</sup> to 12<sup>th</sup> grade, and low income fares to consider. Board members were asked for their feedback to help determine what will be included in the STIF Plan application prior to submitting the Plan to the STIFAC for review and approval; and then to ODOT by November 1, 2018.

Discussion ensued about the potential impacts financially and operationally of further reducing the low income fare and having a free or minimal cost for the youth/student fare. Would these passes work on the weekend or during the summer months for youth. How does the District determine eligibility for low income fares at the 200% poverty level? The Board considered whether all rides should be free or should riders pay a fee. If all of the rides were free, there would be a \$450,000 loss in revenue. If the cost for student passes was lowered to fifty cents for a day pass and \$10 for a monthly pass, the lost revenue is \$400,000; 49% to 52% of students in the Salem Keizer School District are on the reduced or free lunch program. The District could start with lowered fares for student who show their student I.D. card and youth not in school would pay the low income fare. Board members support the idea that the older youth pay even a minimal amount for a fare. It has to have value. New service through the STIF Program needs to be tracked and reported to ODOT. There is also potential impact if the buses are full.

In response to questions asked by the Board, Mr. Pollock recalled that the District receives Federal 5307 monies based in part on a formula used to determine the District's annual reported ridership.

**Follow-up:** **Feedback provided by the Board will be passed forward to the Statewide Transportation Improvement Fund Advisory Committee (STIFAC) that meets on October 3rd.**

**2. Final Draft Bylaws for the Statewide Transportation Improvement 6:53 PM  
Fund Advisory Committee**

**Staff report:** Pages 35-44 of the agenda

**Presenter:** Allan Pollock, General Manager

The Board reviewed the draft of the STIFAC Bylaws. Mr. Pollock requested that they get back to him by October 12<sup>th</sup> with any comments or issues.

**Follow-up:** **Mr. Pollock will have legal counsel review the draft Bylaws one more time prior to taking the Bylaws to the STIFAC for their approval.**

**4. GENERAL MANAGER COMMENTS**

**7:04PM**

**Staff report:** Pages 45-52 of the agenda

**Presenter:** Allan Pollock, General Manager

Board members reviewed the draft agenda for the September 27, 2018 board meeting, the Board's calendar of scheduled meetings and events, and a draft of upcoming agenda items for Board review or action.

**Follow-up:** **Director Lincoln recommended that there be a presentation at a work session about a Clean Power Program that she listened to. She will give Mr. Pollock contact information for the guest speaker.**

**The ribbon cutting at Keizer Transit Center is Thursday, September 20 at 2:00 p.m. President Krebs, and Directors Thompson, Busch and Rodgers plan to attend.**

**4. WORK SESSION ADJOURNED**

**7:21 PM**

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