



Salem Area Mass Transit District
Board of Directors

~ **WORK SESSION** ~

February 11, 2019

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, Doug Rodgers and Marcia Kelley
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; Chris French, Senior Planner; Chip Colby, Information Technology Manager; Dan Knauss, Procurement/Contracts Manager; Linda Galeazzi, Executive Assistant
Guests	No guests

1. **CALL TO ORDER** **5:30 PM**
President Bob Krebs called the work session to order at 5:30 p.m.

2. **SAFETY MOMENT** **5:30 PM**
Mr. Pollock spoke about habits to reduce fatigue at the end of the day by avoiding alcohol and the use of electronics just before you go to bed, and sticking to a routine sleep schedule.

3. **PRESENTATION** - None

- 4.. **DISCUSSION**
 - a. **FY2019 Budget Amendment Discussion** **5:35 PM**
Staff report: Pages 3-4 of the agenda
Presenter: Al McCoy, Director of Finance/CFO
 At the February 28, 2019 Board meeting, staff will recommend approval of Resolution 2019-01 to adopt the supplemental budget and make any necessary appropriations.

The tables below show the elements of the proposed supplemental budget that will add revenues and associated expenditures of the Statewide Transportation Improvement Fund (STIF) Plan for FY19:

Revenues:

	General Fund	Capital Project Fund	Transportation Programs Fund	Total
STIF Formula	\$2,196,015	\$ 228,484	\$ 100,000	\$2,524,499
STIF Pass-Through	0	0	214,501	214,501
TOTAL	\$2,196,015	\$ 228,484	\$ 314,501	\$2,739,000

Expenditures:

	General Fund	Capital Project Fund	Transportation Programs Fund	Total
Operations	\$ 525,000	\$ 220,000	\$ 75,000	\$ 820,000
Communications	60,000	0	0	60,000
Transportation Development	0	0	175,000	175,000
Reserve for Future Expenditures*	1,611,015	8,484	64,501	1,684,000
TOTAL	\$2,196,015	\$ 228,484	\$ 314,501	\$2,739,000

In response to questions from the Board, Mr. McCoy explained that there will not be a set amount in the reserves nor was the amount set by statute. The District received a December 2018 forecast of the projected revenues. If there are more revenues than expected, those will be put in reserves.

Follow-up: The Board will take action on the FY2019 Budget Amendment at the February 28, 2019 Board meeting.

a. Service Enhancement Discussion: Fare Process and Career Fair 5:45 PM

Staff report: Pages 1-2, 27 of the agenda.

Presenter: Chris French, Senior Planner
Allan Pollock, General Manager

Mr. French reported that the Board conducted the First Reading of Ordinance No. 2019-01 by Title and opened a Public Hearing to receive public testimony about the new fare structure at the January 24, 2019 Board meeting. Mr. French asked that the Board considered establishing the new youth fare on June 1 rather than July 1, 2019. This change will meet a requirement noted by ODOT on the Statewide Transportation Improvement Fund application to allocate 1% of the funds to benefit riders in grades 9-12 in FY2019. It allows for a clean break from the current fare structure that will include the elimination of the three month Summer Youth Pass; and a cost savings of \$10 for youth.

Follow-up: The Board will take action on the June 1 effective date of the fare change and the adoption of the Ordinance at the February 28, 2019 Board meeting.

c. Federal Statutory Changes to the Micro-Purchase and Simplified Acquisition (Small Purchase) Thresholds

5:55 PM

Staff report: Pages 5-10 of the agenda

Presenter: Allan Pollock, General Manager
Dan Knauss, Procurement/Contracts Manager

The Board reviewed a memorandum from the Office of Federal Financial Management dated June 20, 2018 that explained there were statutory changes set forth in the National Defense Authorization Acts (NDAA) for Fiscal Years 2017 and 2018. The threshold for micro-purchases under Federal financial assistance awards was raised to \$10,000, and the threshold for simplified acquisitions was raised to \$250,000 for all recipients. Agencies are required to implement these changes in the terms and conditions of their awards, and recipients of existing Federal financial assistance awards may implement them in their internal controls. The District will modify its internal financial policies and procurement procedures to align with the Federal thresholds. Staff recommended that the same modifications be made at the Board approval level.

	SAMTD Financial and Procurement Policies	New Federal Thresholds as of June 20, 2018
Micro-Purchases	\$ 3,500	\$ 10,000
Simplified Acquisition Threshold (Small Purchases)	\$ 100,000	\$ 250,000

Follow-up: Director Kelley requested that staff report back with information that shows what kinds of contracts would be affected at the next work session.

d. Request for Bus Donation

6:09 PM

Staff report: Pages 11-14 of the agenda

Presenter: Allan Pollock, General Manager

Mr. Pollock reported that on January 16, 2019, Kirk Seyfert, Executive Director of Northwest HUB submitted a letter to the Board requesting the donation of a surplus vehicle to be used to expand the scale of free bicycle repair, bike and helmet distribution, bicycle safety and repair education to residents in need of alternative transportation assistance in Marion and Polk Counties. Currently Bus 303 (Cherriots Regional service fleet) is designated as a surplus vehicle that meets the needs of the Northwest HUB. Mr. Seyfert inspected this vehicle and concurs that this would be a useful vehicle for their needs.

Follow-up: The Board will take action on this donation for a surplus bus at the February 28, 2019 Board meeting.

e. South Salem Transit Center – Next Steps

6:15 PM

Staff report: Pages 15-20 of the agenda

Presenter: Steve Dickey, Director of Transportation Development

Mr. Dickey reviewed the most recent activity concerning the South Salem Transit Center project as it became clear that Walmart may not be a willing seller and the board took formal action to support the use of eminent domain if that course of action was needed. A meeting was held between Walmart representatives, SAMTD staff and legal counsel where multiple design alternatives were presented by Walmart for consideration. Staff reviewed the options, and had the City of Salem traffic engineer review the options for compliance with the city's traffic code. It was determined that none of the design options were acceptable to the City of Salem, and would not meet the needs of SAMTD. The only option at the time was to proceed with eminent domain if the project were to move ahead; so, a timeline was developed for the eminent domain process, final design and engineering, permitting and development review, and construction. Upon further review, staff concluded that even with the most compressed schedule possible for all of these elements, it would not be possible to meet the five year deadline for use of the Connect Oregon funds. Based on that information, a decision was made to cancel the Connect Oregon V grant agreement, and release the funds back to the program.

Mr. Dickey said that finding available property is difficult; as is, finding a seller willing to sell. With eminent domain, the District is obligated to pay the market value price and it is done as a last resort.

Director Lincoln did not want to back away from the potential Walmart site completely.

Director Rodgers liked the "super stop" concept with coordinated transfers and more passenger amenities. He was not in favor of the eminent domain process.

Director Busch said that they could see whether any of the sites would work for a "super stop" when they reevaluate the eight sites identified in the last site selection process.

Director Kelley wants to see where service coverage is currently provided. She would like to see more robust service coverage in areas that have no service; possibly working with a transportation network company (TNC) as long as they meet ADA requirements.

President Krebs suggested finding a way to better the Amazon complex; and to look at other options and new technologies as some of the infrastructure may become obsolete. He favored the transit oriented development (TOD) opportunities with a transit center, affordable multi-family, and small retail/commercial space.

Follow-up: Staff will put together a matrix with the pros and cons of each of the ideas considered for the Board's review and further discussion.

4. GENERAL MANAGER COMMENTS

6:50 PM

Staff report: Pages 21-26 of the agenda

Presenter: Allan Pollock, General Manager

Board members reviewed the draft agenda for the February 28, 2019 board meeting, the Board's calendar of scheduled meetings and events, and a draft of upcoming agenda items for Board review or action.

Mr. Pollock advised the Board that they will no longer need to ask individuals for their address during the Public Comment portion of the Board meeting according to legal counsel. When they review the Board's Bylaws, that language will be cleaned up. Mr. Pollock also announced that ODOT's Director of Transportation, Matt Garrett and Hal Gard, the Rail and Public Transit Division Administrator have announced their retirements.

4. WORK SESSION ADJOURNED

6:55 PM

Submitted and Recorded by:

Linda Galeazzi, CMC

Executive Assistant/Clerk of the Board

