



Minutes

Meeting:	TriMet Board of Directors Regular Board Meeting	Date:	February 26, 2014
		Time:	9:00 a.m.
Presiding:	Bruce Warner	Location:	City of Portland Building 1120 SW Fifth Avenue Room C Portland, Oregon
Board Members Present:	T. Allen Bethel Joe Esmonde Craig Prosser Consuelo Saragoza Travis Stovall Bruce Warner	Board Members Absent:	

1. Board Committee Reports

- A. Committee on Accessible Transportation (CAT)** – T. Allen Bethel reported that the Committee met on February 19, 2014 and a memo highlighting the meeting has been provided to the Board. Director Bethel stated that CAT continues working on priority issues that they have set forth as we move through this year.
- B. Transit Equity Advisory Committee (TEAC)** – Consuelo Saragoza reported that TEAC met on February 20, 2014 and provided the following summary:
- TEAC received an update from Alan Lehto, Director of Policy & Planning, on upcoming plans for frequent service and ongoing service enhancement improvements. TEAC expressed strong interest in having ample opportunity to weigh-in on frequent service proposals prior to the Board's approval. The committee will continue its dialogue with Alan at its March meeting.
 - The Committee spent time developing its work plan for 2014 during an interactive work session to identify priority areas for the year which includes:
 - 1) Service Enhancement Plan and accompanying community engagement
 - 2) Developing a Transit Equity Lens and having Transit Equity Indicators
 - 3) Refining TriMet's Access Transit Programs

President Warner asked if the Committee had any concerns on the frequent service proposals or if they just want the opportunity to weigh in on where the extra service is being added.

Director Saragoza indicated that the Committee wants to look at where we are adding service, capacity on those lines, and if we have enough buses to provide the additional service.

Director Esmonde asked for a chart that lists all FTA guidelines and requirements.

Neil McFarlane stated that FTA provides a summary of the guidelines and requirements during their three year audit that is being performed this year and we would be happy to provide you with a copy.

Director Bethel asked where the TEAC meetings are held. Director Saragoza indicated that the meetings are held at the TriMet Administrative Office at Harrison Square.

C. Metro Policy Advisory Committee (MPAC) – Craig Prosser stated that MPAC met on February 12, 2014, and members reviewed the region's 2014 adopted federal transportation priorities and considered endorsement of a federal transportation revenue proposal introduced by Transportation for America. While members generally agreed on the need for additional funding for the federal transportation program, the committee chose not to take action at the meeting, pending further review and discussion of the proposal under consideration. The topic will come up again at a future meeting.

The committee also continued its work on the Climate Smart Communities Scenarios Project. The committee received a briefing on recent opinion research compiled by Adam Davis of DHM Research that assessed public support for various strategies to address climate change, which showed strong support for increased transit service as well as other forms of active transportation such as walking and bicycling. Continuing support for the state and region's land use planning approach was also documented. Members were asked to suggest topics for further exploration in upcoming opinion research to be conducted by the project. Members also were asked to approve the recommended approach for shaping and adopting the preferred scenario in 2014, as required by state law. The committee approved the recommended approach, which calls out the level of future transit service as one of three key areas for policy discussion at joint

MPACT/JPACT summits this April and May. Potential mechanisms for raising additional revenue to support additional investments are also to be areas of focused policy discussion in the coming months.

Finally, the committee was briefed on a comparison of past regional population and employment forecasts with actual growth as background for the regular 5-year update to the region's Urban Growth Report later this year, which will be the basis for an update to the region's Growth Management decision next year. This will be an area of focus for the committee for the next two years.

D. GM Budget Task Force – Craig Prosser provided the following summary on the GM Budget Task Force meetings:

- Since the Board met, the BTF has met twice and the final meeting was this last Tuesday.
- The BTF's charge this year was to review the following aspects of the FY15 budget:
 - What should be the priorities for the FY15 budget?
 - Strategies for pension funding and OPEB
 - Weighing-in on whether the revenue assumptions on the payroll tax, passenger revenue and operating grants were the right direction.
 - Review the State audit recommendations with particular emphasis on those recommendations that had fiscal impacts.
- There was also discussion about fare policy direction – specifically as it relates to the honored citizen's fare, PPS/Youth fare and low-income fare mitigation program.
- The Committee received a presentation about a compensation strategy for non-represented employees – a briefing similar to the one the Board had a few months ago on a total compensation – tier concept.
- There was discussion about the progress of e-fare.
- Some of the themes from the discussions have been:
 - A reiteration that TriMet's mission is to grow service and must be financially stable to do that.
 - OPEB continues to be TriMet's biggest financial challenge.
 - Overall, BTF was pleased that 2015 looks like a good year for riders as service, service reliability and infrastructure investments are being proposed along with the continued replacement of the bus fleet.

- In terms of fare policy, there was discussion that the foundation of any fare policy should be fair and equitable and pricing should be in line with peers.
- There is support for the concept of low-income fare mitigation and encouragement to continue to find ways to leverage the money so that people who need it the most can access it.
- There was interest in leveraging technology as a way to improve performance, operation and the customer experience and continued support for electronic fare system.
- The Task Force is now writing the report they will present to the General Manager by March 11 and the Chair of the Budget Task Force will be at the March 12th Board briefing to present the highlights of the report directly to the Board.

E. Finance & Audit Committee -- Craig Prosser noted that the Committee met on February 12th and received the following reports:

- Reviewed the timeline and scope of work for the FY15 General Manager's Budget Task Force.
- Dave Auxier discussed TriMet's draft pension funding plans and the proposed update to the unrestricted ending fund balance policy. Both these items were also discussed with the full Board at the February 12th Board briefing. These policies are also included in two resolutions on the consent agenda today.
- Bob Nelson briefed the committee on TriMet's work plan to implement the recommendations from the Secretary of State's audit. Bob is coordinating TriMet's work plan. Many initiatives are underway at this time and TriMet is targeting to have all recommendations implemented by the end of the calendar year.

2. General Manager Report

A. GM Comments – Neil McFarlane, General Manager, reported on:

- **Frequent Service Restoration** – The upcoming spring service change brings restoration of frequent service on 10 TriMet bus lines – bringing 15 minute service to all 12 frequent service lines in the AM-PM peak. The investment in service means less waiting and less crowding on buses on some of our most heavily used bus routes. On March 3, joining the 4 and 72 with frequent service or 15-minute service during midday hours, Monday through Friday will be lines 6, 8, 9, 12, 14, 15, 33, 54, 57

and 75. Additionally, our busiest bus line, the line 4, will see frequent service restored on weekday evenings and all day on Saturday as well.

- **PMLR Update** – The entire project is 70% complete and on-time and on budget. To date the project has provided work for more than 9,660 people, including 3,600 onsite construction workers. We are also very proud that we have hit a new milestone with our DBE program:
 - Now at \$147 million in contracts awarded to date.
 - A full 25% percent of the companies who have worked on the project are DBE firms.

The project segment that runs from PSU to South Waterfront will be substantially complete April 1. At the Lincoln Street Station, the art, the platform shelter structure and the innovative eco-track are being installed. The West Tower of the PMLR Bridge now has all of its 20 permanent cables – 10 through each pylon. In March, the bridge deck will “touch ground” when it connects to the landside abutment in South Waterfront. Work constructing bus pullouts and building two elevators for the SE Bybee Blvd. Station is well under way. And there’s fresh paint on the first Type 5 Light Rail vehicle down in Sacramento. April 30 will mark 500 days until the opening on September 12, 2015. And lastly, March 1st is the last day to get in your feedback on the four names for the new Bridge. After that, our committee will propose one name that we plan on unveiling to the community in April.

- **Mobile Downloads** – This week we set a new record with more than 72,000 downloads and 730,000 mobile tickets sold. Overall, feedback about the app is positive and we continue to work with Globe Sherpa to address any user issues as they come up and launch app updates periodically. Apple users will notice a slightly new look and feel to our app, with what we believe is a sleeker interface design. At the March Board Briefing, we will preview what is to come for our e-fare system.
- **Annual Report / Fact Sheet** – Two brochures have been distributed to the Board: 1) TriMet’s updated agency fact sheet, which not only has the basic facts that we have provided in the past, but also shows the importance of our service and value we bring to the region; and 2) TriMet’s Annual Report for 2013, that shows how our agency continues to make progress on many fronts, including buying new buses, launching the first truly multi-modal mobile ticketing app, and our efforts underway with state of good repair.

B. Right of Way Worker Protection – Neil McFarlane stated that in our safety report this month, Kurt Wilkinson, Manager of Construction Safety and Risk Assessment, will talk about a recent Right of Way Worker Protection audit.

Kurt Wilkinson reported that the National Transportation Safety Board (NTSB) issued two urgent safety recommendations to the FTA as a result of two recent deaths to track workers at BART (October 2013) and Metro North (May 2013). The FTA issued Safety Advisory 14-1 for Right of Way Worker Protection (RWP). ODOT Safety Oversight performed an audit following FTA guidelines and conducted random field checks to ensure processes were in place.

Mr. Wilkinson provided a detailed briefing on the audit and highlighted:

- Assessment Findings
- Communication with Workforce
- Next Steps

C. Future Service and Reliability Investments – Neil McFarlane introduced Kerry Ayres-Palanuk, Manager of Service Planning. Ms. Ayres-Palanuk will provide an overview of how we are thinking about the categories and types of service, particularly as we look at the next budget and begin to aim ourselves at what improvements are affordable and important to do.

Kerry Ayres-Palanuk stated that every year we take a comprehensive look at our transit service and we review our 79 bus lines and 4 MAX lines on how they perform. Each year, as the budget allows we look at ways to maintain, optimize and increase our service. During the recession we were unable to invest in service, but we are once again looking ahead at what our needs are. After years of cutting service, last September we were able to add capacity on some bus lines, and to increase reliability on others.

Ms. Ayres-Palanuk provided the Board with options in investing in service improvements for the FY 2015 budget and answered Board questions.

Board President Warner asked that staff provide graphs and data that depicts where additional service is needed so the Board can make an informed decision.

Neil McFarlane indicated that staff would look into that. Mr. McFarlane noted that one of the challenges we will have over next year is that service will need to be added in gradually as we hire additional operators to provide that service.

3. Consent Agenda

Director Stovall requested that Resolution 14-02-08 be removed from the consent agenda for further consideration.

Action: Craig Prosser moved adoption of the consent agenda items listed below; Dr. T. Allen Bethel seconded the motion. The motion was approved unanimously.

Resolution directing that all ordinances shall be read by title only

Approval of Minutes for January 22, 2014

Resolution 14-02-04 Electing TriMet Board Officers and Making Committee Appointments

Resolution 14-02-05 Amending TriMet's Unrestricted Fund Balance and Contingency Policy

Resolution 14-02-06 Adopting Pension Funding Policies

Resolution 14-02-07 Authorizing a Contract with Milliman Inc., for Actuarial Services for Other Post Employment Benefits (OPEB)

4. Resolutions

Neil McFarlane introduced the following resolutions:

Resolution 14-02-09 Authorizing Contracts with New Flyer Industries for the Purchase of Brake and Axles Parts, with Gillig LLC for the Purchase of Brake and Axle Parts and Axle Seals, with DSU Peterbilt/GMC Truck for the Purchase of Bendix Air Brake Parts and with Vehicle Maintenance Program, Inc. for the Purchase of Brake Drums, Air Dryer Repair Parts and Stemco Parts

Action: Travis Stovall moved approval of Resolution 14-02-09; Joe Esmonde seconded the motion. The Board unanimously approved the motion.

Resolution 14-02-10 TriMet Board of Directors, Acting In Its Capacity as the TriMet Contract Review Board, Exempting from Competitive Bidding Requirements a Contract for Construction Services for the Blue Line Station Rehabilitation Project

Board Discussion:

Director Esmonde asked what the total cost of the project is.

Sean Batty responded that the total cost of the project is estimated to be a little more than \$12 million over a 5-year period. The actual contract for construction costs will come back to the Board for approval – approval of this resolution will allow TriMet to initiate a competitive Request for Proposals best value process to select the most highly qualified proposer for award of this contract.

Action: Joe Esmonde moved approval of Resolution 14-02-10; Consuelo Saragoza seconded the motion. The Board unanimously approved the motion.

Resolution 14-02-11 Authorizing a Modification to the Contract with Scheidt & Bachmann USA, Inc. for the Purchase of Ticket Vending Machines for the Portland-Milwaukie Light Rail Transit Project

Board Discussion:

Director Bethel asked for clarification on the total amount that is being considered today and for a better understanding of the numbers listed in the table on the Board memo.

Neil McFarlane stated that this resolution would increase the contract by \$1,654,728 to allow for the purchase of additional TVMs, revising the total contract amount to \$5,497,644. The \$3,274,228 would be for remaining options and the actual costs will depend on inflation-related price adjustments at the time future options are considered and exercised.

Director Stovall stated that the shading in the table on the memo that depicts the totals did not come through after copying, so it was difficult to determine what the totals were, but it is his understanding that the current contract is \$3,842,916 and the additional 37 TVMs being considered today are \$1,654,728, bringing the total to \$5,497,644, with the remaining options for future consideration budgeted at \$3,274,228, bringing the total contract amount to \$8,771,872.

Neil McFarlane indicated that is correct and noted that staff would consider the shading challenges when preparing future tables.

President Warner stated that for the record the action today is for the addition of 37 TVMs for the PMLR Project at a cost of \$1,654,728.

Action: Travis Stovall moved approval of Resolution 14-02-11; T. Allen Bethel seconded the motion. The Board unanimously approved the motion.

Resolution 14-02-08 Authorizing a Disposition and Development Agreement with Brooklyn NowRuz Development LLC for the Sale of Real Property Located at 4235 SE 17th Avenue and 4215 SE 17th Avenue in the City of Portland

Board Discussion:

Director Bethel stated that it is his understanding that if the Board approves this resolution today, it would then need FTA approval to move forward which would address the issues that have been raised about whether this is a property transaction or a transit-oriented development and whether it is in accordance with FTA rules and regulations.

Neil McFarlane indicated that is correct, after FTA review, FTA would either approve or provide guidance on how the transaction needs to change to meet FTA guidelines.

Director Stovall stated that he is very supportive of the transit-oriented development and understands that it takes a partnership to develop projects like this because of the remediation that needs to occur to achieve the desired outcome. Director Stovall indicated that it is his understanding that this is not a new concept and we are amongst a group of organizations that have done transit-oriented developments for quite some time.

Neil McFarlane indicated that this is a well-worn path and there are a lot of other agencies involved. At the last Board meeting, we heard from Metro who is an active partner as well and who conducted the independent financial analysis that justified the numbers associated with this transaction. Because these are difficult transactions for the reasons noted, hence the need for FTA review and involvement at the next step.

Board President Warner stated that he has viewed the challenging site and believes that assistance is needed to provide a quality development that enhances the community and sets the tone for what we want. President Warner stated that he is supportive of moving this forward for FTA approval.

Director Esmonde stated that he is supportive and believes this is a good investment in the community we serve.

Action: Craig Prosser moved approval of Resolution 14-02-08; T. Allen Bethel seconded the motion. The Board unanimously approved the motion.

5. Ordinances

Ordinance 333 Adopting LIFT Fare Increases and Amending TriMet Code Chapter 19 (Second Reading)

General Counsel Shelley Devine read Ordinance 333 by title only and Neil McFarlane introduced.

Board Discussion:

Director Esmonde asked if this requires a Title VI review.

Shelley Devine responded no.

Director Bethel stated that this has come before the CAT and they were supportive of the incremental increases to achieve the recommended fare.

Action: Travis Stovall moved approval of Ordinance 333; T. Allen Bethel seconded the motion. A roll call vote was required, and resulted in the following approval.

Joe Esmonde.....	Yes
T. Allen Bethel.....	Yes
Bruce Warner.....	Yes
Consuelo Saragoza.....	Yes
Travis Stovall.....	Yes
Craig Prosser.....	Yes

Ordinance 334 Amending TriMet Code Chapter 2 Board of Directors Meeting Rules (Second Reading)

Shelley Devine read Ordinance 334 by title only.

Director Esmonde asked if there were any comments by the general public.

Neil McFarlane indicated that there were no comments submitted regarding Ordinance 334.

Action: Joe Esmonde moved approval of Ordinance 334; Travis Stovall seconded the motion. A roll call vote was required, and resulted in the following approval.

Joe Esmonde.....Yes
T. Allen Bethel.....Yes
Bruce Warner.....Yes
Consuelo Saragoza.....Yes
Travis Stovall.....Yes
Craig Prosser.....Yes

6. Other Business

Director Esmonde asked about correspondence that was sent to the Board. First, what are the thoughts about the suggestion to replace CFL and Fluorescent lighting with LED lights throughout the system? And, second, does the recent City of Hillsboro notification of its intention to expand its Vertical Housing Development Code to include a strip of land adjacent to the Orenco Park & Ride require action of the Board at a later date.

Neil McFarlane indicated that we are moving to LEDs in a number of areas. As part of the Station Retrofit project will include lighting upgrades because that is one of the major safety improvements customers are looking for on the platforms. We are utilizing LED technology on the Retrofit Project as well as the Center Street remodel. Our goal is to transition to the new technology in a smart and efficient way in the context of improving lighting overall.

Neil McFarlane stated that in regard to the City of Hillsboro Vertical Housing notification, there is no action coming before the Board. This is a routine notice that we receive from all jurisdictions on changes to codes that would affect us -- we are in favor and will respond accordingly.

President Warner adjourned the meeting at 11:20 a.m.

Respectfully submitted,



Kelly Runnion, Recording Secretary

A copy of the full audio-recorded transcript is available for review in the Office of the General Manager.