



Salem Area Mass Transit District
Board of Directors

~ WORK SESSION ~

November 12, 2019

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

MINUTES

PRESENT:	President Ian Davidson; Directors Robert Krebs, Chi Nguyen, Colleen Busch, and Charles Richards
Board	ABSENT: Directors Sadie Carney 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 Strategic Planning & Program Management ; Michiel Majors, Safety & Loss Control Specialist; Linda Galeazzi, Executive Assistant
Guests	Dale Penn, SAMTD Legislative Advocate, CFM Strategic Communications; Jens Jensen, Property/Casualty Claims Manager, Special Districts Insurance Services

1. CALL TO ORDER 6:05 PM

President Ian Davidson called the work session to order at 6:05 p.m. A quorum was present.

Mr. Pollock announced that the executive session was cancelled and will be rescheduled to December 12, 2019. He then shared a *Safety Moment* for the month of November about winter safety and the clothing items people should wear while working in cold weather.

2. DISCUSSION

A. Energy Tax Credit Briefing

Staff report: Pages 1-10 of the agenda

Presenter: Dale Penn, SAMTD Legislative Advocate
Allan Pollock, General Manager
Al McCoy, Director of Finance and Technology / CFO

The Board was briefed on the District’s history with Oregon’s energy incentive programs that they requested at the September 26, 2019 board meeting during the 2019 State

Legislative Report. To assist in the process, they were given three documents for their review - a White Paper (revised on October 31, 2019) prepared by the Finance Division on the *History of Energy Incentives Program and Current Clean Fuels Program* administered by the Department of Environmental Quality; a handout developed by the District, League of Oregon Cities and Association of Oregon Counties to educate legislators on the Energy Incentive Tax Credit Program, dated June 27, 2016; and talking points developed by the District for meeting with state legislators to discuss the energy incentive program.

Time was allotted for questions and answers followed by discussion about potential legislative fixes for the upcoming legislation session.

Follow-up: Potential solutions considered by the Board included conversing with legislators while they are doing due diligence on Oregon's Clean Fuel Program and building up the education and awareness in preparation for the longer term 2021 Legislative Session.

B. Marion and Polk Counties Regional Services

Staff report: Pages 11-14 of the agenda

Presenter: Allan Pollock, General Manager

Board members were apprised that the Chemeketa Area Regional Transportation Services (CARTS) agreement between Marion and Polk Counties and the District needs to be updated. The intergovernmental agreement (IGA) was established in 2006 and the service has since gone through significant changes. Most recently, with the addition of the Statewide Transportation Improvement Fund (STIF) in 2017, there has been an increased focus on regional service and connecting services. District staff began a review of the IGA to update the terms, and work with Marion and Polk County staff to take action.

Follow-up: Director Busch recommended that the IGA have a periodic review incorporated. District staff will take the lead in this project.

C. Review of Non-Bargaining Retirement Programs Follow-up

Staff report: Pages 15-16 of the agenda

Presenter: Paula Dixon, Director of Administration

Following up on the Board's request at the October 7 work session, the Board was briefed on the District's retirement plan that is offered to its non-bargaining employees. The District offers a defined benefit pension benefit to vested employees based on a formula. There is also a defined contribution plan. This investment fund grows based on earnings and new contributions. The District plan also includes a "floor offset" option in which the funds in the defined contribution plan can be combined with the funds in the defined benefit plan to provide a higher monthly benefit. The District contributes 10% of the employee's salary to the defined contribution plan. The defined benefit contribution

made by the District is currently 15.5%. Retirement plans offered by other transit districts similar in size were also reviewed for a comparison.

Follow-up: None

D. D&O Insurance Follow-up

Staff report: Pages 17-32 of the agenda
Oregon Tort Claims Act (ORS 30.260-30.290) Pages 19-32

Presenter: Michiel Majors, Safety & Loss Control Specialist
Jen Jensen, SDIS Property/Casualty Claims Manager

The Board was briefed on the District's insurance programs that cover board members in response to questions asked at the September 21, 2019 board retreat. Staff consulted with the Districts' insurance broker at Brown and Brown North West and found that the Special Districts Association of Oregon (SDAO) covers board members while they are on approved and designated District business which includes travel to conferences. Consideration and action to approve the inclusion of travel and conferences normally takes place during the Budget Committee process. Additionally, Directors and Officers (D&O) insurance coverage is not needed. Board members of public entities within the State of Oregon are also afforded certain rights and protections under the Oregon Tort Claims Act with some caveats. Excluding coverage of a Board member can happen when a member of the Board acts outside of their official duties or without clear authority.

Follow-up: None

E. Board Bylaws and STIFAC, CAC, STFAC Appointments for the December 12, 2019 Board Meeting

Staff report: Pages 33-54 of the agenda

Presenter: Allan Pollock, General Manager

The Board has three appointed advisory committees - the Citizens Advisory Committee, the Special Transportation Fund Advisory Committee and the Statewide Transportation Improvement Fund Advisory Committee. The bylaws that govern the organizational and functional aspects for each committee are not consistent. This has led to a lack of clarity when faced with filling vacancies, membership terms and length of service, reappointing members on the committee, and appointment of a chair and vice-chair. Staff has begun to evaluate the bylaws for recommended changes. Board members were advised of the progress being made. In addition, Board members were reminded of the deadline for candidates to return their completed applications to the District for inclusion in the agenda packet for the December 12, 2019 Board meeting.

Follow-up: Staff will bring their recommendations to the Board for changes to the Bylaws for their consideration and action to adopt newly drafted advisory committee bylaws.

3. GENERAL MANAGER COMMENTS

Staff report: Pages 55-60 of the agenda

Presenter: Allan Pollock, General Manager

Board members reviewed the draft agenda for the December 12, 2019 board meeting, upcoming agenda items for Board review or action, and the Board's calendar of scheduled meetings and events. Mr. Pollock announced that the District will once again have a decorated bus in Keizer's Holiday Lights parade on Saturday, December 14, 2019.

Follow-up: Board member were invited to ride the decorated bus in the parade.

4. WORK SESSION ADJOURNED

7:15 PM

Submitted by:

Linda Galeazzi, CMC

Executive Assistant/Clerk of the Board