



Minutes

Meeting:	TriMet Board of Directors Regular Board Meeting	Date:	June 24, 2015
		Time:	9:00 a.m.
Presiding:	Bruce Warner	Location:	City of Portland Building 1120 SW Fifth Avenue Auditorium Portland, Oregon 97204
Board Members Present:	Lori Irish Bauman T. Allen Bethel Joe Esmonde Shelley Martin Craig Prosser Travis Stovall Bruce Warner	Board Members Absent:	

TriMet Board Business meetings and public forum are available via web video stream. You can access the archived meetings and materials at trimet.org/meetings/board.

President Warner called the business meeting to order at 9:08 a.m.

1. The following Board Committee Reports were provided:

- A. **Metro Policy Advisory Committee (MPAC)** – Craig Prosser reported that the Committee met on June 10th and will meet again this evening. Discussions centered on the consideration of the Urban Growth Management report, what other jurisdictions are doing around comprehensive planning and economic development. City of Hillsboro provided a presentation that focused on providing MPAC with a better understanding of how Hillsboro fits into that plan and talked about the importance of expanding transit service in the region.
- B. **Finance and Audit Committee** – Craig Prosser reported that the Committee met this morning and received briefings on: 1) FY2016 bond issue strategy, 2) investment banking pool, and 3) payroll tax strategy.
- C. **TriMet Accountability Committee** – T. Allen Bethel reported that the Committee met on June 19th and reviewed and provided feedback on the new TriMet.org website. For the period between May 2014 and May 2015 there has been an increase of 20% of unique page views that go directly to the Accountability page. The Ethics Hotline received one report during this quarter, and after review was determined to be an HR issue that was handled by that department. The next meeting will be in September. For the new Board members, Director Bethel explained the development and purpose of the Ethics Hotline.

2. General Manager Report

- A. **Bus Operators of the Year** – Neil McFarlane and the TriMet Board recognized and honored the Operators of the year Lyn Simons, Bus Operator; Catherine McLendon, Mini-Run Operator; and James Hilliard, Rail Operator by unanimous approval of Resolutions 15-06-27-A, 15-06-27-B, and 15-06-27C.
- B. **GM Comments** – Neil McFarlane, General Manager, reported on:
- Tualatin/Sherwood Service
 - Ridership results for May 2015
 - Code Changes that will go into effect on July 1, 2015
- C. **Safety Update: CCTV** – Harry Saporta, Executive Director of Safety and Security, provided an update on the Closed Circuit TVs (CCTV) that are installed at TriMet's facilities, transit vehicles and rail platforms. Harry Saporta explained the:
- System configuration
 - Current mobile CCTV challenges
 - System upgrades for mobile CCTV
- D. **Future of TriMet – Funding Update** – Bernie Bottomly went through the process that will bring the question to the Board whether we raise the payroll tax and went through the outcome we hope to achieve with the business case for this change.

Alan Lehto briefed the Board on the Service Enhancement Plans to develop a vision of what transit should look like as the region continues to grow and the importance of funding that vision.

President Warner stated that he is pleased with the conversations with the business community and feels the positive response is directly related to the work the ATU 757 and TriMet Management has done to bring costs in line and the understanding of the importance of expanding transit in the region.

3. Consent Agenda

Neil McFarlane noted that on Resolution 15-06-28 authorizing a 90-day extension to existing intergovernmental agreements for transit police services that there are 15 agreements, not 14 as indicated in the memo.

Director Bethel asked for an explanation on why it was necessary to have monitoring of our radio network done outside of the United States and asked for further discussion on Resolution 15-06-34.

Director Esmonde asked who the DBE electrical sub-contractor is for the contract with Hyrdo-Temp Mechanical Inc. President Warner suggested pulling Resolution 15-06-32 off the consent agenda and asked staff to provide that information prior to vote.

Action: Craig Prosser moved to pull Resolutions 15-06-32 and 15-6-34 from the consent agenda and to approve the remaining consent items listed below; Joe Esmonde seconded the motion. The motion was unanimously approved.

Approval of Board Meeting Minutes for May 27, 2015

Resolution 15-06-28 Authorizing a Ninety-Day Extension to Existing Intergovernmental Agreements for Transit Police Services

Resolution 15-06-29 Authorizing Modifications to Five Information Technology Department Temporary Staffing Services Contracts

Resolution 15-06-30 Authorizing a Contract with Office Depot/OfficeMax for the Purchase of Agency Office Supplies and Furnishings

Resolution 15-06-31 Authorizing a Contract with Nelson Truck Equipment Co., Inc. for Three (3) Maintenance of Way Overhead Catenary System Maintenance Vehicles

Resolution 15-06-33 Authorizing a Modification of a Contract with Schetky Northwest, Inc. for the Purchase of Replacement Vehicles for Provision of LIFT Service

Resolution 15-06-35 Reauthorizing the Transfer of Appropriated Funds within the FY2015 General Fund Budget

4. Resolutions

Neil McFarlane introduced the following resolutions:

Resolution 15-06-34 Authorizing a Contract with Tait North America Inc. for Monitoring and Management of TriMet's Mobile Radio Network

Discussion: Director Bethel expressed concern that the monitoring of the system during off-hours would be done in New Zealand rather than the United States and asked why.

A.J. O'Conner explained the need for a sole-source contract and why it is necessary to contract outside the United States for this portion of the contract.

Neil McFarlane explained the complexities and importance of the radio system to TriMet's operations and stated that a good portion of the contact is domestic content and would recommend Tait North America, Inc. for monitoring and management of the current system. Neil McFarlane stated that in the future we could consider going out for a competitive request for proposal, but would not recommend that at this time.

Director Bauman asked what is involved in the monitoring and management of the radio system. A.J. O'Conner explained the process of monitoring and managing the system to ensure the infrastructure is functioning properly.

Director Esmonde asked if there is an equipment failure, is someone here locally to fix it timely?

A.J. O'Conner responded that there is a Tait engineer here locally, and that Tait has proposed to subcontract with Day Wireless to do the field work of climbing towers to adjust antennas.

Director Bethel stated that with the explanation he understands the purpose of not having any interruption of service to our radio system and will vote to move forward with the contract, but would like TriMet to move away from sole-source contracting that does not allow for competitive bidding.

A.J. O'Conner stated that to ensure that the Tait bid was competitive we hired an outside engineering firm to review the Tait proposal. They determined that Tait was giving us a rock bottom price, which allowed us to feel confident moving forward with the sole-source contract.

Director Esmonde asked that the Board be apprised when there are sole-source contracts being considered and why.

President Warner stated that what he is hearing is that the Board would like to make sure anytime we can source services locally and within the United States it is to our benefit economically.

Action: Travis Stovall moved approval of Resolution 15-06-34; Lori Irish Bauman seconded the motion. The motion was unanimously approved.

Resolution 15-06-32 Authorizing a Contract with Hydro-Temp Mechanical, Inc. to Supply and Install a Replacement Radiant Heating System for the Center Street Maintenance Facility

Discussion: In response to Director Esmonde's earlier question, Rock Scott responded that Affordable Electric is the proposed sub-contractor for the electrical work.

Action: Joe Esmonde moved approval of Resolution 15-06-32; T. Allen Bethel seconded the motion. The motion was unanimously approved.

Resolution 15-06-36 Authorizing Intergovernmental Agreements with the City of Portland and the Portland Public School District for the Student Pass Program (Public Hearing)

Neil McFarlane explained that the financial terms of the 2015-16 Student Pass Program agreement which the Board is being asked to approve, are a one-third cost sharing of the total Program costs among TriMet, the City of Portland and the Portland Public Schools, with the total Program cost based on revenue that TriMet

would receive if the Program were not in place. For the 2015-16 school year, the total program cost for the base period of September through June would be approximately \$2.9 million. It is approximate because it may increase slightly to reflect this year's August 27th school start date.

President Warner opened the meeting for Public Hearing on Resolution 15-06-36 – no one spoke to the Board.

Action: Joe Esmonde moved approval of Resolution 15-06-36; T. Allen Bethel seconded the motion. The motion was unanimously approved.

Resolution 15-06-37 Authorizing the Issuance of Revenue Bonds

Dee Brookshire, Chief Financial Officer, explained the process and timeline of the issuance of revenue bonds and introduced Peter Ross, outside Financial Advisor. Director Prosser stated that the Finance and Audit Committee members were briefed in detail on this resolution this morning and recommend approval.

Action: Craig Prosser moved approval of Resolution 15-06-37; Travis Stovall seconded the motion. Directors Prosser, Stovall, Bauman, Warner, Bethel and Martin voted yes, Director Esmonde did not vote. The motion was approved.

Resolution 15-06-38 Authorizing Contracts with JP Morgan, Morgan Stanley, Citigroup Global Markets and RBC Capital Markets for Investment Banking and Underwriting Services

Dee Brookshire introduced Resolution 15-06-38. Director Prosser stated that they had a conversation in the Finance & Audit Committee meeting regarding DBE participation and recommended that TriMet reach out to DBE firms at the marketing level. Dee Brookshire stated that she has advised all participants that TriMet has a preference of DBE firms at the Retail Sales level.

Action: Craig Prosser moved approval of Resolution 15-06-38; Travis Stovall seconded the motion. The motion was unanimously approved.

Resolution 15-06-39 Authorizing Contracts with Cushman and Wakefield of Oregon, Inc. and Kidder Mathews for Real Estate Agent/Broker Services

Action: T. Allen Bethel moved approval of Resolution 15-06-39; Travis Stovall seconded the motion. The motion was unanimously approved.

Resolutions 15-06-40 and 15-06-41 Authorizing a New Contract with Northwest Enforcement, Inc. for Flagging Services and a Modification to an Existing Contract with Northwest Enforcement, Inc. for Security and Flagging Services for the Portland-Milwaukie Light Rail Project

Director Esmonde asked when the contract expires and if it will go beyond the opening to address any safety issues we may have.

Dan Blocher responded that the contract will go beyond the opening and we can extend it as needed.

Director Stovall stated that his company leases office space from NEI, so he would abstain from voting.

Action: Craig Prosser moved approval of Resolutions 15-06-40 and 15-06-41; T. Allen Bethel seconded the motion. Directors Prosser, Bauman, Warner, Bethel, Martin, and Esmonde voted yes, Director Stovall abstained. The motion was approved.

Resolution 15-06-42 Authorizing a Contract with Tactical Micro for the Procurement and Installation of a Mobile Closed Circuit Television System for TriMet Buses and Light Rail Vehicles

Discussion: Director Stovall stated that based on the significant cost differences between the systems, he would like an explanation on the scoring and decision process.

Harry Saporta explained the difference between the Apollo Video Technology closed-proprietary system and the Tactical Micro open-architecture system, and detailed the variety of products that would allow expansion with flexibility and integration. Mr. Saporta stated that only 3 of the 7 eligible proposers were invited to participate based on their demonstrated capabilities. After demonstration and thorough evaluation, it was determined that Tactical Micro provided the best value for what we were getting and would allow us to be where we need to be into the future with expansion options.

Director Stovall stated that he would like to ensure that we are getting the best value from the open-architecture system, and that we considered all the variables and cost differences when making our decision.

A.J. O'Conner explained that the additional hardware integration is very technical and affects the upcoming eFare and CAD AVL system as well.

Director Stovall asked if there are cost savings that would be gained with the advanced capabilities and enhancements to the system.

Harry Saporta explained that the Tactical Micro product is expandable with the current fixed camera system resulting in efficiencies and cost savings.

Director Martin asked about the stability and sustainability of Tactical Micro.

Harry Saporta responded that Tactical Micro is a national firm with offices throughout the U.S. and will partner with the local firm Reece Security, who will provide local support to the system. Tactical Micro is a stable company with a number of successful products and has provided products for the Department of Defense as well.

Director Bauman clarified that what the Board is voting on today is the base price, and if staff considers exercising options, staff would come back to the Board for approval. Harry Saporta stated that is correct. Director Bauman asked if the option prices are locked in at the bid price, and Harry Saporta responded yes.

Director Bethel asked what the diversity make-up of the main company is. Harry Saporta responded that he would confirm and provide the information to the Board.

Director Esmonde asked if this system was used at other transit companies. Harry responded yes, this product is used successfully on the Metro system in Washington, D.C.

President Warner stated that he believes that the open architecture is a benefit and would allow for expansion. President Warner requested that staff provide periodic updates on this contract.

Action: Travis Stovall moved approval of Resolution 15-06-42; Craig Prosser seconded the motion. The motion was unanimously approved.

5. Other Business & Adjournment

Director Prosser explained his concern and appalled reaction to the recent terrorist attack in Charleston, NC and how it focused attention on the flying of the Confederate Flag on public property. Director Prosser asked staff to explore appropriate action by this Board to express opposition to displays and symbols that represent hate and discrimination.

Board members were in agreement with the concern and the request. Staff will look into efforts that would allow the Board to speak out on this issue.

President Warner adjourned the meeting at 11:17 a.m.

Respectfully submitted,



Kelly Runnion, Recording Secretary