

DRAFT
Performance Evaluation
March 1, 2018 to June 30, 2019

Doug Kelsey
General Manager

OVERVIEW:

For purposes of understanding and evaluating the General Manager's performance for the performance period from March 1, 2018 to June 30, 2019, the Board of Directors worked with Doug to develop a Work Plan for the year to ensure his success as our General Manger. This Work Plan defines major business objectives, measures of success, and a general weighting of the objectives that would be considered as the major indicators of performance. This Work Plan included a significant number of deliverables to aid Doug in his transition to the General Manager position and to help him understand and address issues raised by interest groups and the public during his hiring process. These issues and the list of deliverables was daunting and comprehensive. A review of the progress on this Work Plan and other important areas of review are provided below.

SUMMARY:

Doug's performance has been impressive. Overall, Doug has met and, for most major business objectives and deliverables, exceeded the Board's expectations. Under Doug's leadership, TriMet has made significant progress in many key issues that have confronted the agency over the past year. The attached "Performance Expectations and Plan", dated July 26, 2019, documents achievements by Doug and the agency over just more than the past year. This review illustrates the impressive response by the General Manager and the agency between March 1, 2018 and the end of the fiscal year ending June 30, 2019.

REVIEW OF MAJOR BUSINESS AND BOARD OBJECTIVES: (Please refer to the attached "Performance Expectations and Plan")

1. IMPROVE COMMUNICATIONS, COLLABORATION AND COMMUNITY INPUT REGARDING TRIMET POLICY AND BUDGET

During the recruitment and Board deliberations to hire a new General Manager, the Board heard that our riders, interest groups and the general public wanted to have more constructive conversations with the new General

Manager. Their desires were to have opportunities throughout the region to meet and learn more about Doug's goals and expectations for TriMet.

The Board directed that Doug hold seven community meetings within 90 days of his appointment. We also established a deadline for completion by June 4, 2018. Doug exceeded our expectations and held more than 11 community meetings that often also included Board member participation. As the President of the Board, I observed Doug's excellent communication skills and heard from many people how beneficial these meetings were for them and their communities.

The Board also asked Doug to institute a more collaborative and participatory budget process for TriMet. We asked Doug to hold 4 half-day workshops with multi-cultural participation over the first 120 days of his role as General Manager. Doug knocked this expectation out of the park. He held 5 total meetings throughout the region and had participation from over 250 community members representing low-income, minority, and transit dependent riders. Doug and his staff instituted a partnership with IRCO and other community organizations to design and facilitate these meetings. In addition to the 5 meetings, Doug also participated in other workshops in each Board District to solicit further input for development of our FY19/20 budget and priorities for use of the new HB 2017 Funds.

As part of this Board expectation, we specifically asked Doug to improve communications and explore new opportunities to better involve low-income, historically under-represented and vulnerable communities. We asked Doug to secure and create an additional outreach position to work with these communities. It was the Board's further expectation that Doug use this position to help ensure that this staff person and others are representative of those communities. Doug promoted a senior manager staff person to lead this effort and leveraged existing staff for a total of an additional 2 ½ positions to the outreach and to better implement our new Low-income Fare Program. His staffing selections and those appointed have increased the diversity of our outreach staff and helped to provide better and more acceptable outreach. This has built great community support. We expected that these hires and program enhancements be completed within 100 days of Doug's appointment. This expectation was completed on time and with results that have exceeded the Board's expectations.

2. IMPROVE THE DIVERSITY OF TRIMET'S MANAGEMENT WORKFORCE AND IMPROVE EQUITY OUTCOMES RELATED TO TRIMET'S FARE AND CODE ENFORCEMENT

This area has been a Board priority for the past few years and it continues today. We directed that the General Manager establish an Equity Council to ensure the Board and TriMet have the benefit of an equity and diversity

perspective on the wide range of issues with which the agency deals in most areas of our work. We asked Doug to create an Equity Council that included key community leaders from social service providers, those who support transit-dependent riders and historically under-represented groups, youth and other vulnerable communities.

On the Equity Council --- The Board wanted this group to help the agency on issues of management, workforce diversity, safety and security and equity. We specifically desired this group to help design and implement changes to our fare and code enforcement activities and help TriMet better address customer complaints and suggestions. Doug met our deadline of 90 days to create this group. To meet our expectation, Doug expanded TEAC to include groups and individuals. A listing of groups is included in the attached Performance Expectations and Plan document. This was a great piece of work by Doug and his staff. Doug clearly has exceeded our expectations on this goal.

As part of this goal, the Board also directed Doug to develop a workplan for the expanded TEAC that gave us feedback and suggestions to better implement our Low Income Fare Program, update our Title VI program, support our new Safety and Security Subcommittee, and creation a new “equity lens” to be used to consider improvements across all TriMet services and programs. We asked that this workplan be completed within 150 days of Doug’s appointment or by August 3, 2018. Doug and his staff met this deadline. This work will continue to be a Board priority next year.

On Workforce Diversity --- The Board also made clear that we wanted Doug to improve TriMet’s workforce diversity – specifically at the senior management levels. Our direction was to explore ways to improve all facets of the recruitment process by securing an assessment by nationally recognized human resource firms with the assistance of local experts to understand our current deficiencies and where and how to improve areas that need attention.

Doug met our deadline to provide a report on the organization by August 1, 2018. Our national and local experts gave the Board great information on how TriMet compares to other local and nationwide entities. These experts also identified how we could best improve our diversity in those positions and other levels in TriMet that needed attention. The Board found this report enlightening and very instructive. Doug was also charged with closing the diversity gaps within 18 months. Doug has made amazing progress over just the past year. The areas of most concern were at our Senior Management levels. When Doug was appointed, the analysis showed our senior management was 10% minority and 20% female. In a short time, Doug has exceeded our expectations. This senior management level now shows that it is 27% minority and 36% female members!! This was amazing work by Doug and his HR Staff.

Finally, as part of this Board Expectation, the Board asked Doug to work with his staff and others to identify any compensation gaps for positions in the Executive team that hindered our abilities to recruit and retain diverse and qualified individuals. We asked that any of these gaps be closed by FY 21/22 budget. The plan is to track positions and make changes over the next couple years to address disparities in compensation. The identification work has been completed and next year's budget is addressing most of the key deficiencies. Doug has exceeded our expectations on this key issue.

3. SAFETY, SECURITY AND FARE ENFORCEMENT

The Board believes that safety of the public, our riders and drivers is the paramount priority for TriMet. The General Manager and the agency need to continue this as our top priority next fiscal year and beyond. As you will read below, TriMet has made significant progress on this key priority, but more still needs to be done. The recent action by the 2019 Legislature to require TriMet to establish a new Safety committee with specific membership shows that we must step it up further to ensure that realities and perceptions reflect our commitment to safety. The Board will want to see progress reports on implementation of this new law and our continued progress on safety.

While progress has been made in the past, the Board laid out its 2018/2019 expectations on these issues and asked Doug and his staff to form a broad-based advisory committee to explore ways to improve the safety and security as well as improve our "presence" on the entire TriMet system. We also asked that any improvements also address concerns about equitable treatment of low-income, historically under-represented groups, youth and other vulnerable populations. Doug and his staff completed a review of whether to reinstitute more customer liaisons or rider advocates as part of any overall plan to improve our "presence" on the system. This review was completed in July 2018 and new resources were included in the FY 2019/2020 budget.

The Board further asked that we continue our work to ensure that there are no disparities in the code and fare enforcement practices. Doug built on our ground-breaking work with Professor Brian Renauer of Portland State University to update the professor's 2015 report to the Board. This report found no finding of systemic racial bias but raised issues that may need further work. The 2018 update by PSU reconfirmed the findings of this earlier report. However, this work continues to guide and inform our training and reporting, and the Board will want this area to be a priority for next fiscal year. This work led to our seeking and securing changes in Oregon law that decriminalized the fare enforcement program and allowed TriMet to develop new and innovative tools rather than fines to ensure compliance. This was

another landmark piece of work by the previous General Manager, Doug and his staff.

The Board is pleased with the progress on development of an Equity Dashboard. We expect this work to be presented to the Board in Autumn 2019. The intent of the Dashboard is to assess the agency's ongoing performance as it relates to safety, security, and equity of our enforcement activities and its results. We look forward to this report and the review and advice of the Equity Council.

The Board does expect that safety and all related work be a part of the General Manager's 2019/2020 Performance Expectations.

4. IMPROVE COLLABORATION AND COMMUNICATION REGARDING IMPLEMENTATION OF HOP FASTPASS PROGRAM

Because of concerns expressed by interest groups and others that the transition from paper tickets to the HOP card was moving too quickly for the community, the Board asked that Doug take additional time and effort in the rollout and change. We asked the General Manger to work with our retail ticket outlets to maintain the sales of paper tickets for more time until our network of outlets was increased to allow more access to HOP card sales and loading of fares. We further asked Doug and staff to work with our community service partners to make over 20,000 free HOP cards available for their communities and low-income individuals along with providing additional time, information and training on the use of the new card.

Doug and his staff quickly developed an improved and more inclusive outreach effort to help communities with HOP card implementation. This effort included more outreach, education and a free card distribution plan. During this additional rollout time, staff added over 250 organizations to our institutional programs, increased our HOP card sales outlets to over 500 locations, integrated our LIFT program into the HOP system and converted our ticket vending machines to sell HOP cards. They also distributed over 9,500 free HOP cards to date. This was a great effort that built much trust and understanding of the benefits of this new technology.

5. PROVIDE OPPORTUNITIES FOR FRONT-LINE EMPLOYEE COMMUNICATIONS AND COLLABORATION

The Board directed the new General Manager to work to provide more face-to-face opportunities for the front-line employees to provide feedback and advice to Doug in his new role. We asked that he hold at least 5 employee town hall style meetings at various TriMet facilities. We also asked that both

union and non-union employees be given time to attend. The intent was to solicit staff's top issues including budget priorities, general safety and security issues, staffing and more. We gave Doug a 120-day deadline to complete these meetings.

Doug exceeded our expectations by holding over 12 such meetings throughout TriMet facilities. Reports from those attending the meetings was positive and appreciated. Doug has already used the feedback to make several big and small changes to address concerns heard at these meetings.

6. STRATEGIC OUTREACH, REVIEW OF TRIMET ORGANIZATIONAL STRUCTURE, RIDERSHIP IMPROVEMENT PLANS AND KEY RECRUITMENTS AT THE EXECUTIVE LEVEL

The Board asked Doug to take time to meet and connect with regional and legislative partners to allow them to get to know him and understand their needs related to improving transit within the region. Over the past year, Doug has met with an amazing number of individuals and groups. I have not counted the individuals or groups, but a list of those with whom Doug has met is identified in Attachment A of Doug's Performance Expectations and Plan. Again, I have heard many comments over the past year from many of these groups and individuals about how impressed they were with Doug, his style and his commitment to work collaboratively with them.

Doug reviewed the structure of the agency and has made simple yet effective structural changes that better align TriMet's work and responsible individuals and teams. His changes also made immediate improvements to the diversity of the executive team with increases in minorities and women to the highest level of management in the agency. This work and key replacements of the Chief Operating Officer and the Executive Director of Maintenance are wonderful examples of how to recruit persons with diverse backgrounds to TriMet. Doug deserves most of the credit for these substantial changes. He has clearly exceeded our expectations.

I could go on for pages about the significant changes that Doug has made to improve service, but I will just mention a few that stand out as examples of his leadership and changes in priorities. These include Board adoption of a non-diesel bus strategy and procurement of our first electrical-powered buses -- which are now in service. As part of this strategy and his work to implement HB 2017, Doug created partnerships to implement new service and commitments to purchase 80 new battery electric buses. The Low-Income Fare Program approved by the Board was implemented on time and with fantastic adoption by our key partners and low-income riders. TriMet secured the approval of the Locally Preferred Alternative by Washington

County and the cities along the route of the proposed Southwest Corridor Light Rail Project.

Other groundbreaking accomplishments by Doug and TriMet are the unique and first-ever partnership with Apple for HOP Card payments. Doug also secured a new partnership with PGE on operations of Electrical Substations necessary for our electric vehicles and Light Rail. His work with Siemens to rebuild our light rail vehicles was a wonderful example of innovative public/private partnerships. Both will save the agency significant costs which can be used for service and program expansion.

Doug's work to improve Rail Safety and on-time performance of our bus and light rail system has been very successful and our riders have already benefited from this improved service. I also believe that Doug's efforts with the Legislature and the Governor's office and the hard work with our legislative staff were instrumental to the approval of HB2017. This funding bill created the first-ever statewide source of transit funding. HB 2017 will allow TriMet and other transit districts in Oregon to expand service without fearing this funding could be used for some other program by the state or federal government. This is a BIG deal!!

In summary, Doug has exceeded most of the Board's expectations in his first year as the General Manager for TriMet. His knowledge and skills have provided new ideas and changes that are very welcome. Doug's private-sector background and experience with elected officials at all levels has brought new programs and opportunities for public transit in the region.

I will work with Doug and the Board over the next few weeks to finalize this performance review, any changes in compensation based on this performance, and to define the Board's priority areas for the next year.

7. RECOMMENDED COMPENSATION CHANGES:

The General Manager's current salary is \$298,500 which is about 8.5% below the salary range midpoint of the position of \$325,528. The salary range and the mid-points are based on work by a consultant who looked at the salary ranges of all non-union positions in 2017. This work was accepted by the Board in January 2018. I believe there is no need to review and update this work this year since the current salary range provides the board with ample room for changes in salary.

The Board authorized me to sign a three-year contract with Doug last year. So -- there is no need to extend the contract. However, Doug's performance over the past year needs to be recognized and rewarded. I recommend that

Doug's salary be adjusted upward by 5%. This would bring the General Manager's salary to \$313,425. I further recommend that this increased salary be increased retroactively to July 1, 2019.

TriMet Board President:

General Manager:

Bruce Warner

Doug Kelsey

Date: _____

Date: _____