

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
REGULAR BOARD MEETING/WORK SESSION

Wednesday, June 20, 2007

Pursuant to notice given to *The Register-Guard* for publication on June 14, 2007, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, June 20, 2007, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Gerry Gaydos, President, presiding
 Susan Ban, Vice President
 Debbie Davis, Treasurer
 Michael Dubick
 Greg Evans
 Dean Kortge, Secretary
 Mark Pangborn, General Manager
 Jean Schapper, Administrative Secretary/Assistant to Clerk of the Board
 Lynn Taylor, Minutes Recorder

Absent: Mike Eyster

CALL TO ORDER/ROLL CALL – Mr. Pangborn called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Gaydos said there was positive news to discuss, as well as several interesting presentations.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – Mr. Pangborn distributed copies of a brochure on LTD that had been developed in response to the need for a brief overview of the system. He said that LTD's leadership in bus rapid transit (BRT) had generated interest from across the country. He noted that the American Public Transit Association (APTA) was holding a two-day conference in Eugene the following week and the discussion topic would be BRT standards. He said that representatives from other communities and districts visited LTD frequently.

BOARD CALENDARS – Mr. Dubick noted his planned time out of town for the calendar.

Mr. Pangborn said that a picnic for Board members and the District's leadership group would be scheduled sometime in the first half of August. Board members would be polled to determine the date.

WORK SESSION

West Eugene EmX Extension Planning Project Update – Director of Planning and Development Tom Schwetz reported that 75 people had attended the May 21 open house and a summary of comments from that meeting was included in the agenda packet.

Mr. Gaydos asked about a comment regarding the need for noise abatement at some EmX shelters, which were described as "painful." Mr. Pangborn said he was not certain what the concern was about as the EmX vehicles were actually quieter.

Ms. Ban thought perhaps it was the experience of standing in the roadway median that made some people fearful and raised their sensitivity to noise.

Mr. Gaydos noted that another concern was that EmX presented a barrier to pedestrians. Mr. Schwetz said that he was unaware of any specific problem. Mr. Pangborn said that people who were jaywalking could perceive the system as a barrier. He did not think that it was a barrier to people who used appropriate pedestrian crossings. He suggested that those issues could be included in a follow-up intercept study to be done in a year or so.

Mr. Schwetz said the WE (West Eugene) Collaborative had established subcommittees to develop a general work plan for the collaborative and to address the relationship between the collaborative and the corridor studies being conducted by the City of Eugene and LTD. He said that LTD staff and Board members were participating in the process and materials related to the subcommittee work would be provided to the Board.

Mr. Schwetz said the next steps in LTD's study would define the problem statement, establish the project's purpose and need, and develop a set of criteria to evaluate alternatives. He said staff would return to the Board in the near future with a discussion of the problem statement and purpose and need.

Regarding formation of BRT Steering Committee subcommittees, or corridor committees, he said that recruitment for members was open until June 25. He said the Steering Committee would review applications and select members for the corridor committees. He hoped that three LTD Board members could serve on each committee. He said of the three Board members serving on the EmX Steering Committee, Mr. Gaydos and Mr. Evans were logical choices for the West Eugene corridor committee and Ms. Davis was an obvious choice for the Springfield corridor committee. He suggested Mr. Dubick and Mr. Eyster for the Springfield committee. He said the corridor committees would have a 12- to 18-month lifespan.

Learning, Education, Awareness, and Personal Growth (LEAP) – Director of Human Resources and Risk Management Mary Adams introduced Training Specialist Pat Rather to present the LEAP program, which was an outcome of the *Looking to the Future Plan*.

Mr. Rather presented an overview of the LEAP program, which was designed to offer LTD employees opportunities to move into key positions through expanding skills and qualifications without giving the impression that individuals were being "groomed" for specific positions. He explained that the intent was to help employees become qualified candidates for vacancies and fulfill LTD's commitment to become a learning organization that fostered employees' personal and professional growth.

Mr. Rather described the LEAP opportunity categories, some of which were still in the concept stage:

- Global - growth opportunities for all District employees
- Department - training specific to a department
- Special intensive - transit management and leadership training through external educational opportunities for selected individuals
- Special projects - opportunity for selected individuals to gain experience in management by acting as a manager for a project
- Special opportunities - opportunity for selected individuals to gain greater understanding of specific positions within LTD

Mr. Rather said that special LEAP opportunities meant that an employee would work directly with the person who held a particular position. He said those opportunities could be available when an employee in a key position was leaving or when the District believed there was value in having other employees gain a more in-depth understanding of a position by working with the incumbent. He said that any current LTD employee could apply for a special opportunity and candidates would be selected based on various criteria, including whether the person represented LTD values and was self-motivated, and whether there would be benefit for the person and the District.

Mr. Rather said a special opportunity would include spending five to ten hours per month with the incumbent and independent study time. He said it was emphasized to program participants that it was not a promotion or job advancement system and there was no guarantee that the participant would be hired for that job. He illustrated the LEAP special opportunity informational materials distributed to employees for a human resources position being vacated by a retiring employee.

Mr. Kortge asked if LEAP program participation was on an employee's personal time. Mr. Rather said that time spent with the instructor during the workday was paid; self-study was on personal time.

Mr. Evans asked if an employee, such as a bus driver who was interested in becoming a planner, could take outside classes and receive LEAP program credit for them. Mr. Rather said that had not yet been addressed in the program design, but it was a good idea and would be considered as the program evolved.

Mr. Evans asked if LTD would pay for training that it did not have the capacity to provide internally. Mr. Rather said that was not currently a part of the program, but could be explored.

Ms. Ban asked if there was a training budget. Mr. Rather said there was, but it was not earmarked for individual employee tuition.

Mr. Evans suggested that the program could partner with an employee to match dollars for educational activities. Mr. Pangborn said that in the past LTD had paid for employee education but that program was eliminated several years ago. The district was now trying to rebuild opportunities for employee professional and personal growth.

Director of Service Planning, Accessibility, and Marketing Andy Vobora noted that Service Planner Ruth Linoz was hired as a bus driver but had returned to school in order to acquire the education necessary to move into a planning position.

District Sustainability Policies – Mr. Schwetz stated that based the Board's interest in and support of pursuing sustainable business practices, staff were in the process of developing a

sustainable business plan. He asked the Board to consider adoption of a sustainability policy to guide the development of that plan. He defined sustainability as meeting the needs of the present without compromising the ability of future generations to meet their own needs. He showed a slide presentation of the proposed policy, which would commit the District to pursuing sustainable practices in four areas:

- Providing quality transit service
- Using environmentally friendly vehicles
- Constructing earth-friendly projects
- Implementing sustainable operating practices

Mr. Gaydos asked how the District was disposing of hybrid batteries. Mr. Schwetz said staff were researching what practices were most sustainable. Director of Maintenance George Trauger added that the District currently had contracts with manufacturers and suppliers to trade used batteries for new ones. He said that manufacturers then dismantled and recycled the old batteries.

Mr. Kortge asked how providing onsite showers for employees was a sustainable practice. Mr. Schwetz replied that it would encourage employees to commute by bicycle.

Mr. Kortge asked how the District would assure that contractors used sustainable business practices. He was concerned about the administrative burden on the District of monitoring and documenting compliance. Mr. Schwetz said the concept was intended to assure that the individuals and organizations receiving District resources also engaged in sustainable practices, but at this point was an encouragement and not a compliance issue.

Mr. Evans pointed out that LTD already was a leader in sustainable business practices. He thought that in addition to adopting a policy, the District should raise its profile in the community by highlighting its sustainability accomplishments and promoting mass transit as a sustainable practice.

EMPLOYEE OF THE MONTH – Transit Operations Manager Mark Johnson introduced the July 2007 Employee of the Month, Dottie Blackmarr. He said that Ms. Blackmarr had received the Safe Driving Award four times and was nominated by a regular rider who appreciated her attention to customer services.

Mr. Gaydos presented Ms. Blackmarr with her awards and congratulated her on her selection. Ms. Blackmarr thanked the Board for her award, which she said she was ecstatic to receive.

AUDIENCE PARTICIPATION – Mr. Gaydos called for comments from the audience.

1. Jozef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, stated that he was a member of 3RT. He cited a June 11, 2007, article in the *New York Times* about a personal rapid transit (PRT) system in West Virginia that connected two campuses with an electric rail that allowed passengers to select their own stops.

Mr. Siekiel-Zdzienicki said there was some confusion regarding a statement at the June 5 Steering Committee meeting that the Eugene City Council directed LTD to study only the West 11th corridor. He said he had spoken to the mayor and a city councilor and at its June 11 meeting the City Council indicated that was not the directive on October 9, 2006.

The directive was to focus on the West 11th corridor but not specifically just work on that corridor; the study should be broader.

Mr. Siekiel-Zdzienicki proposed an expansion to study the Highway 99/Barger/Roosevelt loop, since the center of population was gradually moving to the northwest and that was where the housing development was. He said at the Eugene Station the #41 bus was loaded and people used that route heavily. He was trying to figure out where the confusion had occurred between what was stated at the Steering Committee on June 5 and what the City Council had stated on June 11 and asked for an explanation of the source of that confusion.

2. David Cohen, 401 Potter Street, Eugene, stated that the driver on the #24 bus had reprimanded him for eating a small lollipop, although the dispute was settled amiably. He said the next day he was the victim of an accident on a bus when a large piece of unsecured luggage brought aboard by another passenger had fallen on him when the bus stopped quickly. He questioned why there would be such concern about eating a small piece of candy, but not about the dangers posed by a large, freestanding piece of luggage. He had filed a complaint related to the accident with customer service and after a second inquiry he was told that LTD had no responsibility for falling luggage. He said his injury did not warrant going to the doctor, but he hoped that LTD would conduct a priority assessment of risks on buses. He also asked that operators more closely monitor people sitting in seats reserved for the elderly or infirm.

ITEMS FOR ACTION AT THIS MEETING

Consent Calendar - Mr. Gaydos noted that revised materials related to the resolution had been distributed. Mr. Pangborn explained that a resolution reaffirming the District's boundaries was an annual housekeeping requirement.

MOTION Mr. Kortge moved that the Board adopt LTD Resolution No. 2007-022: "It is hereby resolved that the Consent Calendar for June 20, 2007, is approved as presented." Ms. Davis provided the second. The Consent Calendar consisted of LTD Resolution No. 2007-028, A Resolution Reaffirming the Territory in the District Within Which the Transit System Will Operate in Accordance with Oregon Revised Statutes 267.207(3)(a).

VOTE The motion was approved as follows:
 AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
 NAYS: None
 ABSENCES: None
 EXCUSED: Eyster (1)

Olympic Trials Service Request – Mr. Vobora said the issue had been discussed by the Board's Service Planning and Marketing Committee and Finance Committee and referred to the Board for a decision, because the request deviated from the established pricing policy and the Olympic Trials were a significant event. He introduced Greg Erwin of the organizing committee to speak to the Board about bus service for the trials.

Mr. Erwin said the 2008 Olympic Trials would be held in July 2008 in Eugene. He said that 900 to 1,000 media representatives were anticipated, with worldwide news coverage of the event. He

said there was an operating budget of \$7 million to \$8 million, based primarily on revenue from ticket sales, sponsorships, and grants from local jurisdictions and organizations. He said the trials would generate jobs and employment income that would be subject to the payroll tax, as well as significantly increase employment in the local hospitality industry.

Mr. Erwin said the local organization committee had made commitments to U.S. Track and Field and the community to have the most eco-friendly and efficient transportation system possible to serve the needs of athletes, spectators, the media, and everyone involved in the event. He said Park & Ride shuttle services from Autzen Stadium and South Eugene High School were major features, along with dedicated shuttles for the media from the Gateway area and shuttles for officials staying at the Valley River Inn. He indicated that streets near Hayward Field would be closed and driving in that area extremely difficult; to mitigate the impact on adjacent neighborhoods and minimize traffic problems people would be encouraged to use the shuttles and transit system. He said it was a good opportunity to showcase EmX. He estimated the fully allocated cost of bus service at a maximum of \$150,000 and asked the Board to consider waiving the entire amount as LTD's contribution to and partnership with the Olympic Trials. He hoped the Board would demonstrate leadership in the community by helping to sponsor a major event that could rebrand Eugene as the track capital of the world and provide a stepping-stone to many more opportunities.

Mr. Kortge said the Finance Committee had discussed the request and was recommending that the Board approve a direct costs pricing policy for the event, with an estimated cost of \$115,700. He said the committee made that recommendation because it did not believe it could recommend donation of the fully allocated cost when the District was faced with the loss of funding for the school bus pass program.

Mr. Dubick added that the committee thought that it was appropriate to charge only the direct costs and contribute the rest. He reiterated that the committee did not believe it could justify in the budget or to taxpayers the donation of the entire fully allocated cost, especially given the situation with the school program.

Mr. Vobora reported that there had been discussion with the Department of Energy about preserving the school bus pass program. He said the Service Planning and Marketing Committee had discussed the request in the context of LTD's longstanding relationships with other event providers in the community who paid the fully allocated amount.

In response to a question from Ms. Ban, Mr. Vobora reviewed the four possible pricing levels: (1) Level 1 (fully allocated costs) at \$115 per hour; (2) Level 2 (sum of direct costs) at \$89 per hour; (3) Direct Variable Cost Pricing at \$61 per hour; and (4) Alternative Pricing at an hourly rate to be set by the Board.

Mr. Kortge remarked that donating the indirect costs was a good contribution.

Ms. Ban said the District's taxpayer-funded status made it difficult to justify charitable contributions. She thought that a level below the fully allocated costs would be justifiable.

Mr. Evans said there was a business case that could be made in favor of a contribution because of the additional income that could accrue from the event.

Mr. Pangborn pointed out that \$1 million in salary generated \$6,200 in payroll tax revenues. Ms. Hellekson noted that the challenge would be to collect that tax from temporary jobs.

MOTION Mr. Dubick moved adoption of LTD Resolution No. 2007-023: "It is hereby resolved that the LTD Board of Directors authorizes an event shuttle rate of \$89 per service hour for approximately 1,300 hours of service for the 2008 Olympic Trials shuttle service package, at an estimated cost of \$115,700. Mr. Evans provided the second.

Mr. Gaydos indicated that he would vote in opposition, as he preferred the third pricing policy option.

VOTE The motion was approved as follows:
 AYES: Ban, Davis, Dubick, Evans, Kortge (5)
 NAYS: Gaydos (1)
 ABSENTIONS: None
 EXCUSED: Eyster (1)

Federal Transit Administration Grant Applications – Grant Administrator Todd Lipkin reviewed the seven grant applications, details of which were provided in the agenda packet. He said that the grant applications comprised the single largest grant resolution in LTD's history.

Public Hearing on Capital Grant Applications: Mr. Gaydos opened the public hearing and called for testimony. He determined there was no one wishing to speak and closed the public hearing.

MOTION Mr. Evans moved adoption of LTD Resolution No. 2007-024: "It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed below, which total \$23,802,672 in federal funds, and authorizes the general manager to submit these applications to the Federal Transit Administration for approval:

1. FY2007 Surface Transportation Funds
2. FY 2007 - 5307 Urbanized Area Formula Funds
3. FY 2007 - 5309 Bus and Bus-Related Facilities Funds
4. FY 2006 and 2007 - 5317 New Freedom Funds
5. FY 2007 Discretionary Applications (Competitive Process)
6. FY 2007 - 5339 Alternatives Analysis
7. FY 2007 - 5309 Small Starts - Pioneer Parkway EmX

VOTE The motion was approved as follows:
 AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Eyster (1)

FY 2006–07 Supplemental Budget #2 – Accounting Manager Carol James explained that the resolution before the Board would modify the FY 2006-07 adopted budget in three areas: a \$150,000 increase in the General Fund transfer to Commuter Solutions, an increase in the General Fund transfer to the Accessible Services Fund of up to \$385,400, and an increase in capital projects by \$537,000 in the Capital Projects Fund for paratransit vehicles that arrived earlier than anticipated.

Mr. Kortge asked if staff could project the costs of accessible services in five years, given the dramatic increases in the past. Ms. James thought that the increase would be somewhat similar to that in health care costs, at 15 to 20 percent per year. She said that was not sustainable.

Mr. Kortge said that was an issue that the District would need to address. Mr. Vobora said the legislature seemed to recognize the need to do something to help transit districts, although the solution might need to happen at a national level.

Mr. Evans said that the District should begin to discuss concerns about accessible services with its partner districts in the state and the Oregon congressional delegation, because a solution to the unfunded mandate would have to come at the federal level. Mr. Pangborn said although accessible services was an unfunded federal mandate, he thought the solution would have to be at the state level, since that would be the likely source of funding. He thought it was unlikely that the federal government would provide any resources.

Mr. Evans said that as a leader in accessible services, LTD was in a good position to take the lead on the issue.

Mr. Gaydos suggested that the issue could also be brought to the attention of the Metropolitan Planning Organization (MPO).

MOTION Ms. Ban moved approval of LTD Resolution No. 2007-025, amending the LTD fiscal year 2006-2007 budget as represented in the resolution. Mr. Kortge provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
NAYS: None
ABSECTIONS: None
EXCUSED: Eyster (1)

FY 2007-08 Budget Adoption – Director of Finance & Information Technology Diane Hellekson stated that the budget before the Board for adoption was the same as the version approved by the Budget Committee on April 26, 2007. She noted that the budget added seven positions: four bus operators and three administrative positions.

Public Hearing on FY 2007-08 Budget: Mr. Gaydos opened the public hearing and called for testimony. He determined that there was no one wishing to speak and closed the public hearing.

MOTION Mr. Evans moved approval of LTD Resolution No. 2007-026, adopting the LTD fiscal year 2007-2008 budget and appropriating \$75,478,520 as represented in the resolution. Mr. Dubick provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
NAYS: None
ABSECTIONS: None
EXCUSED: Eyster (1)

Board Adoption of District Sustainability Policies – Mr. Schwetz asked that the Board consider adopting the sustainability policies discussed earlier during the work session part of the agenda.

Mr. Kortge asked why it was necessary to adopt the policy or develop a sustainability plan. Mr. Schwetz said the policies would become the cornerstone of the sustainability plan, which was being developed to give LTD the ability to define, track, improve, and report its sustainability practices to the community.

MOTION Mr. Dubick moved approval of LTD Resolution No. 2007-027: "It is hereby resolved that the LTD Board of Directors adopts the proposed sustainability policies." Ms. Davis provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
NAYS: None
ABSENTIONS: None
EXCUSED: Eyster (1)

Human Resources Committee Recommendation: Revised General Manager's Goals and Objectives – Ms. Adams said that the Human Resources Committee had updated the goals and objectives based on feedback from the Board at its last meeting.

MOTION Ms. Davis moved approval of LTD Resolution No. 2007-028: "It is hereby resolved that the LTD Board of Directors approves the LTD General Manager 2007 Goals and Objectives as recommended by the LTD Board of Directors Human Resources Committee." Mr. Dubick provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
NAYS: None
ABSENTIONS: None
EXCUSED: Eyster (1)

ITEMS FOR INFORMATION AT THIS MEETING

Meetings Held or Attended – There were no questions.

Board Outreach –

1. Mr. Vobora reported that while there had been no agreement yet, there was a shift in the Department of Energy's perception of the school bus pass program and he was hopeful that the program would be continued with funding in another category.
2. Mr. Vobora drew the Board's attention to the list of neighborhood associations organized by Board member subdistrict. He encouraged Board members to attend those neighborhood meetings whenever possible to share information about the District's activities. He said that staff were developing a list of suggested discussion topics and related materials.

3. Mr. Evans reported that he had attended a 3RT meeting on June 4 and it was very informative. He had lunched with the chair of Active Bethel Citizens, who was very interested in being a member of the West Eugene EmX Committee, as were some 3RT members. He had forwarded those names to the appropriate LTD staff.
4. Mr. Vobora said there were very happy people, including the CEOs of Hynix and Invitrogen, on hand to welcome the first bus to arrive on the first day of service change.

Legislative Update – Assistant General Manager Stefano Viggiano referred to the legislative issues report included in the agenda packet and provided highlights of updated information. He said that ConnectOregon 2 had been passed by the legislature and gone to the governor for signature. He said the cigarette tax would not pass this session, but the legislature had passed a budget note that directed the Oregon Department of Transportation and the Department of Human Services to study the issue and work with transit districts to develop a proposal for the next session.

Mr. Viggiano said that little information was available on lottery funds and he did not expect that LTD's request for \$10 million would be granted. He pointed out that the District would not need the money until 2009-2011, which made it more difficult to argue for receiving the funds now; however, the legislature was now aware of LTD's need. He said there was still some chance of more extensive highway user fees, such as an increase in license fees. He said a change in how districts could purchase fuel could benefit LTD by allowing fuel to be purchased under longer-term contracts through a third party, such as TriMet.

Monthly Financial Report – May 2007 – Ms. Hellekson noted it was ten days from the end of the fiscal year and the budget was in good shape. She said payroll tax receipts were still soft but there was an increase associated with the higher tax rate. She said that ridership numbers in the report were low because automatic passenger counting equipment had malfunctioned, and that would be corrected. She was pleased that fuel prices had come down and the District would finish the fiscal year under budget for fuel. She stated that an end-of-year status report would be provided to the Board no later than July 31, 2007.

Mr. Gaydos asked if EmX vehicle ramp problems had been resolved. Mr. Trauger said problems had occurred when moisture seeped into the ramp wiring and they were being resolved. He said the manufacturer was providing new wiring harnesses and investigating why some of the harnesses had been affected by moisture. He said vehicles had remained in service.

Mr. Kortge said the Finance Committee had an interesting presentation by the auditor, who impressed on the committee the importance of having good financial management systems in place as the Board was responsible for the funds that flowed through the District.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d), LABOR NEGOTIATIONS - Mr. Kortge moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Dubick provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Dubick, Evans, Gaydos, Kortge (6)
NAYS: None

ABSENTIONS: None
EXCUSED: Eyster (1)

The Board entered Executive Session at 7:50 p.m. Members of the District's negotiating team were preset for this discussion with the Board.

RETURN TO REGULAR (OPEN) SESSION – The Board returned to regular session at 8:31 p.m.

Mr. Gaydos mentioned that at the previous Board meeting, the doors were not opened promptly at the close of the Executive Session, preventing some interested parties access to a portion of the remainder of the meeting. He reminded those present of the importance of immediately reopening the meeting to the public following Executive Sessions.

Secondly, Mr. Gaydos recommended that discussion of the School Transit Pass Program be postponed until plans for the program's future became clearer.

The meeting adjourned at 8:32 p.m.

Board Secretary