

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

Wednesday, May 16, 2018

Pursuant to notice given to *The Register-Guard* for publication on May 9, 2018, and distributed to persons on the mailing list of the District, the Board of Directors of the District held a Special Board Meeting/Work Session on Wednesday, May 16, 2018, beginning at 3:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, President
Carl Yeh, Vice President
Kate Reid, Secretary
Don Nordin, Treasurer
Ed Necker
Steven Yett
Aurora Jackson, General Manager
Dwight Purdy, General Counsel
Camille Gandolfi, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: April Wick

CALL TO ORDER/ROLL CALL — Mr. Wildish convened the meeting and called roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT — There were no remarks.

COMMENTS FROM THE GENERAL MANAGER — There were no comments.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — There were no announcements or agenda changes.

ITEMS FOR INFORMATION AT THIS MEETING

2018 Proposed Service Changes — Ms. Jackson said the proposed service changes were consistent with the District's following goals in using limited funding resources to deliver the most efficient and effective transit services to the community:

- Provide high-quality services
- Help people get where they are going quickly and efficiently
- Protect the highest utilized service
- Match service product with riders' demand
- Meet budgetary commitments by meeting demand with the appropriate level of service

Director of Planning and Development, Tom Schwetz, stated that more than \$3 million in new service had been added over the past 3 years, increasing both span and frequency of service. That investment had created a more complete network; however, college enrollments were down and ridership on some routes had declined as the network had changed. The intent was to match investments in service to where transit markets were. He said typically service changes occurred

during the Annual Route Review (ARR). He said the Comprehensive Operations Analysis - Transit Tomorrow - process would help staff think about how to deliver more sustainable levels of service and redesign the network to allow for things such as better transit accessibility and more direct trips. The current proposal would adjust service ahead of completion of the Transit Tomorrow process, but was consistent with that intent. The changes targeted low efficiency trips.

Mr. Schwetz said the District's updated service policy, adopted by the Board 4 or 5 years ago, called for a productivity standard of 67 percent. If a route was determined to be below 67 percent of the average daily weekday boardings for its category or class, it was considered substandard and would be reviewed by service planners.

Mr. Schwetz and Associate Service Planner, Bret Smith, reviewed and explained the rationale for the proposed changes to the following routes as set forth in the agenda materials and responded to questions:

EmX	Route 11 - Thurston
Route 12 - Gateway	Route 27 - Fairmount
Route 28 - Hilyard	Route 33 - Jefferson
Route 41 - Barger/Commerce	Route 51 - Santa Clara
Route 55 - North Park	Route 73 - UO/Willamette
Route 78 - UO/Seneca	Route 79x - UO/Kinsrow
Route 81 - LCC/Harris	Route 82 - LCC/Pearl
Route 85 - LCC/Springfield	Route 95 - Junction City

Mr. Schwetz said staff had also considered the following service changes:

Route 98 - Cottage Grove	UO Football Service
Holiday Service	

Mr. Yett noted that in the FY2019 Service Adjustment Summary agenda materials, \$275,725 in savings would be realized from eliminating the University of Oregon (UO) football service. He questioned why LTD would incur any cost for providing service when the UO Athletics Department was well funded.

Ms. Jackson said staff had been working closely with the UO Athletics Department to determine how to make the service more efficient and whether there was an opportunity for the UO to partner with LTD to support the service. She noted that LTD was part of the UO's emergency plan and buses remained on site during games to assist with evacuation in case of emergency. LTD was also a partner in helping the UO achieve its requirement in order to build the stadium; to assure a certain percentage of trips to and from the stadium were made in modes other than passenger vehicles. She said staff was continuing conversations with the UO about opportunities to help LTD finance the service. She said changes that had been considered were included on the list because public feedback might cause reconsideration of a proposed change and one of the three that were considered could be substituted. She asked for Board direction if a more forceful approach by staff was preferred.

Assistant General Manager Service Delivery, Mark Johnson, noted that Federal Transit Administration (FTA) rules prevented LTD from contracting with the UO for that service. Ms. Jackson added that the UO could provide financial support to LTD, but could not dictate how the service was provided. She said FTA rules prohibited LTD from competing with private charter companies. LTD provided the service because it benefited the community by reducing congestion and providing access to UO football games. She said her approach to discussions with the UO

blended what LTD had historically provided with its direction for the future and fiscal responsibility. The extent to which she stressed financial issues would be based on the Board's direction.

Mr. Yett stressed that LTD's service had allowed the UO to build a large stadium and have athletic activities that generated very large revenues. LTD's services allowed there to be heavily attended football games because both parking and emergency evacuation requirements were being met. LTD should not be losing money to provide those services when football games generated so much money; the \$250,000 it cost LTD could be put to better use to meet the District's needs. He said the UO should be asked to pay LTD the amount it costs to provide the service or use another vendor.

Mr. Necker asked about the role of First Student in the transportation to football games. Mr. Smith explained that First Student and LTD were partners. Service consisted of 80 buses: LTD provided 40 and First Transit provided 40. LTD also provided the ground crew to support the operation and assured all modes of transportation had the ability to move safely in and around the stadium. Plans for the next season called for LTD to provide 35 buses and First Transit to provide 45. First Transit contracted with the UO and he did not know the amount of the contract. He said LTD also paid for the park and rides as part of its service.

Ms. Jackson said there was not a proposal to eliminate the service, but as part of the surgical approach to services staff was reviewing it as an option if other service reductions were not accepted. She said historically LTD had protected the service for football games and when FTA rules had prohibited providing it as a charter, LTD felt it still had value and did not want to eliminate the service. She said this was the first review of that service and it sounded like the Board had an interest in a financial partnership with the UO in order to continue with the service.

Mr. Yeh remarked that the service was valuable to LTD because it exposed many people to transit who might not otherwise ride the bus.

Ms. Reid asked what the impact of changing how football game service was provided would be on LTD's relationship with the UO. Director of Public Affairs, Edward McGlone, explained that there were two revenue components to the UO's group pass program. The first was the faculty and graduate student program, funded by the UO and generating about \$350,000 in annual revenue. The second was the UO students, funded through student fees and agreed to by the elected student body government and generating about \$900,000 annually. The combined contracts totaled around \$1.25 million annually. There had been no discussions about how changing football service might have an impact, but some students had expressed concern about proposed changes to routes used by students specifically. He said the UO did not contribute to advertising revenue, although, previously the UO Athletics Department did have exclusive rights to purchase about \$150,000 of advertising on the EmX route. This was no longer viable because the advertising contract undervalued the product and the FTA determined the contract was non-compliant with competitive bidding standards. He said LTD advertised the football game service because it was in the District's best interest to generate ridership and engage a certain ridership that was not typically engaged through the rest of LTD's services.

Mr. Yett questioned the value of promoting football game ridership when there was little chance of recovering the loss. Mr. McGlone said the value of continuing the service had been a policy decision of prior boards, but the Board could determine if that was a position it still wished to support.

Mr. Necker said the return on investment was not financial, but it was in terms of customer outreach and community support.

Ms. Reid asked if the football service was eligible for State Transportation Improvement Fund (STIF) funding. Mr. McGlone said STIF funds could be used, but the program would not meet STIF criteria that LTD was expected to report on.

Mr. Yett said if the Board decided to continue with football game service, LTD needed to do a better job of communicating to the community what it was doing and how much it would cost the District. He had not had any feedback from the public about the value of the service.

Mr. Yeh said that he agreed with Mr. Yett. He said if the Board wanted to continue the service, it should explore how to recover the costs of providing the service.

Mr. Wildish pointed out that the football service provided a value to the community by greatly reducing the time it took to travel to and from games, and the community needed to recognize that congestion and traffic jams prior to the service were terrible.

Mr. Schwetz said the discussion had identified key issues, such as whether the football service was part of LTD's core service and if the service was discontinued, as much as 12 hours could be put back into another service. He said options for the Board to consider included accepting the proposed service adjustments and moving forward or modifying football service or other changes and applying those cost savings to some of the higher productivity trips. He said the public comment period had been open since May 7 and a public hearing would be held at the Board's regular meeting that evening. Comments would be accepted through June 20 and the Board would be asked to take action at its meeting on that date. Service changes would be implemented on September 16, 2018.

Ms. Reid asked if it would cost the UO in the range of \$250,000 to hire another provider if LTD discontinued its football service. Ms. Jackson said the UO would absorb the full cost of contracting with another provider such as First Transit for transit and ground services. Mr. Johnson estimated the cost would be \$50-60,000 per game. Mr. Schwetz added that the cost for LTD to provide the service was around \$350,000, with about \$95,000 of that recovered through fares.

Ms. Jackson said there appeared to be interest in pursuing more, or full, cost recovery on the football service. She said staff continued to solicit input on potential service changes from the community, including UO students and the Accessible Transportation Committee, and that feedback would be provided to the Board.

Mr. Wildish noted that the proposed changes to EmX Gateway service responded to considerable public input. He asked Board members to indicate their positions on the football service and provide direction to staff.

Mr. Yeh suggested a graduated approach to achieving full recovery of the cost of providing service.

Mr. Nordin said that he agreed with Mr. Yeh's suggestion. He said the entire community benefited from the service and LTD should not have to subsidize it.

Ms. Reid said that she felt it was irresponsible to decrease another service without asking the UO to provide some financial support for the football service. She said that her only concern was the

possible impact on UO group pass programs. She said that she supported achieving full recovery over time.

Mr. Yett said that he preferred a stronger approach to full cost recovery. He said the UO football program had a large amount of money and did not believe that taking a harder line would endanger the group pass programs, which was important to the UO.

Mr. Wildish encouraged strong negotiations on the football service. The group pass programs were very important to faculty and students and it was unlikely the UO would be willing to eliminate them. Additionally, the UO needed a public transportation service to facilitate its football program.

Ms. Jackson said staff would take a firmer approach about moving toward more cost recovery based on the Board's direction.

Mr. Nordin asked if the proposed change to route No. 98 continued a trip into Cottage Grove or turned around at Walmart. Mr. Schwetz said the route would end at Walmart. Mr. Schwetz said the estimated savings were based on a turnaround at Walmart.

Mr. Nordin said that he felt turning around at Walmart was a mistake as it would not allow for any interaction with the community, being isolated at the edge of town. Ms. Jackson noted that the change to No. 98 was not being recommended, but if the Board wanted it to be considered, the staff would engage in discussions and coordination with South Lane Wheels. Currently, it was not being pursued as an option.

Mr. Wildish said the No. 98 option, which would provide a cost savings of \$115,000, was worthy of consideration. Ms. Jackson said staff was developing recommendations for improving rural service, including to Cottage Grove, and those would be presented in late fall or early winter.

Mr. Yett asked for clarification on the option to eliminate service on four holidays. Mr. Schwetz said the four holidays were ones eliminated during the depths of the recession and the option considered the savings if those were again eliminated. He said staff was not recommending the option because those who depended on holiday service really needed it and the cost savings was not very large.

Mr. Yett said that he agreed that if someone had to work on a holiday and did not have a car, the service was very valuable.

In response to a question from Mr. Yeh, Mr. Smith said the proposed change to No. 12 would eliminate the frustration riders felt when the bus came into the station just as other buses were leaving, by slightly adjusting its schedule.

Mr. Yeh said he had observed that park and ride usage on No. 79x had decreased significantly.

Mr. Wildish thanked the Board for a thoughtful discussion of the proposed changes.

MPO Funding Projects — Mr. Schwetz said both LTD and Point2point were part of the Metropolitan Planning Organization (MPO) process and he and Transportation Options Manager, Theresa Brand, would present the projects being proposed for MPO funding. He said traditionally the projects had not come before the Board and a new strategy of presenting them would make LTD's process consistent with that of its partner agencies. He said the funds were federal and local decision-making determined how they were spent. He said the funds, which provided

funding for a wide variety of transportation improvements, were Surface Transportation Block Grants (STBF), Transportation Alternatives Program (TAP) and Congestion Mitigation, and Air Quality (CMAQ). He said projects must address the following regional priorities:

- Improve safety
- Preserve existing transportation assets
- Preserve or enhance transit services
- Reduce greenhouse gas emissions

Mr. Schwetz described the four LTD projects to be proposed for funding:

1. Frequent Transit Network Safety and Amenity Improvements
Total cost: \$1.68 million (10.27 percent match) Grant amount: \$1.5 million
2. Fleet Procurement Plan
Total cost: \$140,000 (10.27 percent match) Grant amount: 125,000
3. Fleet Procurement
Total cost: \$1.25 million (20 percent match) Grant amount: \$1 million
4. MovingAhead Design and Preliminary Engineering
Total cost: \$1.15 million (10.27 percent match) Grant amount: \$1 million

Ms. Brand said Point2point projects were developed from regional conversations and either supported local transportation system plans or the Our Town Regional Transportation Options plan. She said that two Safe Routes to Schools programs had previously been funded through CMAQ dollars. She described new projects to be proposed:

1. Regional New Resident Outreach Program
Total cost: \$125,000 Match: In-kind provided by Point2point
2. Coburg Bike Hub Demonstration Project
Total Cost: \$45,000 Match: In-kind provided by the City of Coburg
3. Safe Routes to Schools Program Assistance
Total cost: \$60,000 Match: In-kind provided by school districts
4. Safe Routes to Schools Bicycle and Pedestrian Program Expansion to Gold Level
Total Cost: \$251,000 Match: Not required
5. Safe Routes to Schools Program Funding
Total Cost: \$492,752 Match: Not required

Mr. Schwetz said that \$17.3 million in federal funds would be programmed over the next three years and the list proposed by the Transportation Planning Committee (TPC) totaled almost \$21 million. He said the gap was not unusual at this stage of the funding and would be closed as applications were reviewed and staff discussions and negotiations began.

Ms. Reid asked if the City of Eugene was a partner on any of the Safe Routes to Schools proposals. Ms. Brand said that while the city was a major supporter, it was not a funding partner. LTD was the sole grant agent for the program. She said Point2point contracted with River House to provide bicycle education services.

Ms. Reid asked if the City of Eugene would be a co-applicant on the MovingAhead proposal. Mr. Schwetz said the city was not a co-applicant for this proposal, but he was discussing with City staff how bicycle, pedestrian, and transit improvements could be coordinated in the future.

Mr. Nordin asked if the school districts were contributing funding to the Safe Routes to Schools program and whether any funds were being used for infrastructure, such as sidewalks. Ms. Brand said she had asked the districts if they were able to provide some funding last year. Bethel and

Eugene 4J were not able to contribute financially, but Springfield did provide half of the Safe Routes to Schools coordinator's salary. She said two years ago an infrastructure prioritization process around all of the schools was started by the coordinators and that information would be used to determine what the region would request in statewide Safe Routes to Schools infrastructure funding. She said the state funds could not be used for program operations.

Mr. Wildish asked if match requirements for the Point2point proposals would have an impact on the LTD General Fund budget. Ms. Brand replied that she did not submit applications for funding if she did not have the necessary match already. She said programs would be managed by current staff or by staff hired specifically for a project and only during the period of time project funds were available.

Ms. Reid encouraged staff to consider which proposals might also be eligible for STIF funding when prioritizing the MPO project list.

Ms. Jackson asked if the Board had any direction for staff regarding projects that the Board considered the highest priority as discussions with the TPC got under way.

In response to a question from Mr. Necker, Mr. Schwetz said LTD would be applying for \$1 million to assist with fleet procurement, specifically electric buses. The \$1 million would be pooled with other funds the District had to achieve the procurement.

Ms. Reid said that she felt that the Frequent Transit Network Safety and Amenity Improvements and Safe Routes to Schools were very important to the community and should be the highest priority. LTD's funding requests for those projects should not be reduced during negotiations.


Mr. Schwetz said the Frequent Transit Network project was probably the most flexible in terms of funding needed and there were many other funding sources that could be used.

Discussion of Board Committees — This item was postponed to a future meeting.

IT Analysis Update — This item was postponed to a future meeting.

ADJOURNMENT — Mr. Wildish adjourned the meeting at 5:07 p.m.


LANE TRANSIT DISTRICT:



Kate Reid
Board Secretary

Date Approved: 0/20/18

ATTEST:



Camille Gandolfi
Clerk of the Board