

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

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 Regular Board meeting on Wednesday, May 16, 2018, beginning at 5:30 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
April Wick
Steven Yett
A.J. Jackson, General Manager
Dwight Purdy, General Counsel
Camille Gandolfi, Clerk of the Board
Lynn Taylor, Minutes Recorder

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

PRELIMINARY REMARKS BY BOARD PRESIDENT — Mr. Wildish thanked everyone for attending the meeting.

COMMENTS FROM THE GENERAL MANAGER — Ms. Jackson announced that LTD had the largest employer group participating in the Business Commute Challenge. That demonstrated how well it had been integrated into the District's organizational culture. She said that upcoming Point2point events would be placed on the Board's calendar.

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

BOARD CALENDARS — Ms. Jackson said paper copies of the calendar would be provided until technical difficulties with the electronic version were resolved. She highlighted several upcoming events, including the Better Eugene-Springfield Transportation annual event on May 22, the Business Commute Challenge wrap-up party on May 24 and a meeting of the Main Street Governance Team meeting on June 5.

EMPLOYEE OF THE MONTH – JUNE — The Board recognized Bus Operator Jonathan Bolden as the June 2018 Employee of the Month. Mr. Wildish presented Mr. Bolden with his award and thanked him for his outstanding service and dedication to LTD's mission. Mr. Bolden thanked the Board and said he was honored to receive it. He said his father, Norm Bolden, who is a retired LTD bus operator, had also been an Employee of the Month and he was following in his footsteps. He saluted the other nominees for June Employee of the Month who had made contributions to LTD and the community. He felt his calling was to use words of encouragement to inspire and motivate the youth of the community.

AUDIENCE PARTICIPATION — Mr. Wildish explained the procedures for providing public testimony.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), issued an invitation to BEST's annual supporters' party on May 22. He said that he was pleased that the Comprehensive Operations Analysis was moving forward. It was an important project for LTD and the community and would provide information to help inform the community and LTD decisions in the future.

PUBLIC HEARING: FISCAL YEAR 2018-2019 PROPOSED BUDGET — Director of Finance, Christina Shew, presented an overview of the proposed budget. She said the budget had been reviewed by the Board and the Budget Committee, public comments had been open since April, and this was the third public hearing. She reviewed the changes made since receiving public comments and Budget Committee recommendations. She said while the Budget Committee did approve the budget as presented, it had recommended eliminating the line of credit and reducing reserves by \$1 million. She said if the Board opted to pursue a line of credit, debt service would also be reflected in the budget. Options before the Board were to approve the budget as approved by the Budget Committee with the line of credit and debt service costs, or adopt the budget without the line of credit and modify the reserve policy to allow for a lower reserve amount. She said other changes were minor in nature and did not change any totals.

Ms. Shew said she would be reviewing the fund balance policy annually to determine if changes were needed. Based on input from the Budget Committee, she was recommending changes to the reserve policy as follows:

- Change the reserve requirement from the current two-three month timeline to two-six month timeline
- If reserves were not met, a restoration plan to correct that must be developed within six months and the problem resolved within a three-year period
- Restoration options were also provided
- If excess reserves were accrued, they would be appropriated for non-recurring expenses
- The Board could choose to adopt an annual budget that did not maintain a minimum fund balance of two months

Mr. Wildish opened the public hearing.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), commented that due to a taxpayer error, LTD experienced a revenue shortfall and had to take back some service. He said that he hoped that LTD had established internal checks and balances and an oversight process that would detect those problems early. He noted that almost \$1 million in federal funds had been spent on the Main Street project, but the public was not aware of the total cost for that particular project and that information was not available within the budget. He urged the District to provide information to the public on the funds spent on a project, the outcomes, and whether there had been a good return on that investment.

Mr. Wildish determined no one else wished to speak and closed the hearing.

PUBLIC HEARING: 2018 PROPOSED SERVICE CHANGES — Director of Planning and Development, Tom Schwetz, provided a brief summary of the proposed detailed service changes described in the agenda materials. He said staff had taken a surgical approach by making slight adjustments to lower productivity routes. He said one of the goals was to protect the span of

service and minimize the overall impact. The proposed route adjustments his staff recommend are the following:

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 his staff had also considered changes to the following services, but they were not recommending them at this time:

Route 98 - Cottage Grove	UO Football Service
Holiday Service	

Mr. Wildish opened the public hearing.

Rob Zako, Eugene, representing the BEST Board of Directors, said he understood that LTD was not doing its usual Annual Route Review (ARR) this year. He said the ARR included an extensive public outreach effort to preview the proposed changes and obtain community feedback. It did not appear that such an effort had been made for the proposed service changes and it appeared LTD was trying to make service cuts without informing the public. He urged LTD to make every effort to assure affected stakeholders recognized the changes that were being proposed. He said BEST recognized there had been unfortunate and painful shortfalls in LTD's budget and the proposed changes were a prudent way to try and address that, which BEST generally supported, but had not had an opportunity to review in detail. He said the proposed changes to Gateway EmX were significant and extra efforts should be made to inform business owners and others along the route that changes were being considered.

Mr. Wildish determined no one else wished to speak and closed the hearing.

Ms. Wick asked for a description of community engagement in the past when service cuts were proposed and a discussion of how that process could have been more robust for the currently proposed service changes.

Ms. Jackson said during previous years Board members were asked to go out into the community and that last year a meeting was held at Churchill High School. She said some general comments were received, but they were not related to specific service changes. This year was a different situation because the District was responding to financial circumstances and a different type of outreach was conducted with impacted parties. She said staff was present at community events to answer questions and had made presentations to relevant groups, such as the Accessible Transportation Committee. Director of Public Affairs, Edward McGlone, added that the ARR typically resulted in more substantive changes to routing and a broader outreach campaign was used. He said the proposed service adjustments consisted primarily of frequencies and scheduled time-points. He said materials published on the LTD website on May 7 explained the changes and generalities of how times might be adjusted. The specific time changes took somewhat longer to provide because service planners had identified certain low performing trips, but needed additional time to readjust the full schedule to minimize gaps. He said now that the new timetable was available, staff would be at the Eugene and Springfield stations to discuss the

impact with riders. He said notification of the public hearing was published in May's *Bus Talk*, distributed through LTD's newsletter, posted on each bus, and on LTD's Facebook page. He said more details of the changes would be published in June's *Bus Talk*.

Mr. Wildish said staff should be prepared for the public reaction once the details of service changes were available and riders understood the impacts.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** — Ms. Reid moved to remove the Delegated Authority Report-April from the Consent Calendar. Ms. Wick provided the second.

VOTE The motion was approved as follows:
AYES: Necker, Nordin, Reid, Wick, Wildish, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

MOTION Ms. Reid moved that the Board approve the Consent Calendar for May 16, 2018, as amended. Mr. Yeh provided the second. The Consent Calendar consisted of the Minutes from the April 18, 2018, Regular Board Meeting.

VOTE The motion was approved as follows:
AYES: Necker, Nordin, Reid, Wick, Wildish, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

MOTION Mr. Yeh moved that the Board approve the Delegated Authority Report-April, as presented. Ms. Wick provided the second.

Ms. Reid declared a conflict of interest because of an item related to Willamalane Park and Recreation District and abstained from voting.

VOTE The motion was approved as follows:
AYES: Necker, Nordin, Wick, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: Reid (1)
EXCUSED: None

Adoption: Proposed Fund Balance Policy — Ms. Shew noted that the item had been discussed during the presentation of the Fiscal Year 2018-2019 Proposed Budget.

In response to a question from Ms. Reid, Ms. Shew said she planned to conduct an annual review of the policy.

MOTION Mr. Yeh moved to approve Resolution 2018-05-16-11 adopting the revisions to the LTD Fund Balance and Budgetary Reserve Policy as presented. Mr. Yett provided the second.

VOTE The resolution was approved as follows:
AYES: Necker, Nordin, Reid, Wick, Wildish, Yeh, Yett (7)
NAYS: None

ABSTENTIONS: None
EXCUSED: None

MOTION Approval: Fiscal Year 2018-2019 Proposed Budget — Mr. Yeh moved that the Board of Directors of Lane Transit District hereby adopt the budget for Fiscal Year 2018-2019, of a total combined fund sum of \$97,851,910 now on file at the LTD offices, with a line of credit. Mr. Yett provided the second.

VOTE The resolution was approved as follows:
AYES: Necker, Nordin, Reid, Wick, Wildish, Yeh, Yett (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Comprehensive Operations Analysis (COA) Update — Mr. McGlone said the timelines for the COA and MovingAhead projects, presented at the Board's February 2018 retreat, remained about the same; although he wanted to discuss a timing decision based on proposed service changes on which the Board needed to provide some guidance.

Mr. McGlone said that the COA process was generally on schedule, with the public involvement process scheduled to begin in June. He described various components of that process. He said technical work by Jarrett Walker and Associates consultants was under way, including the pedestrian network analysis and data analysis relating to the District's existing services. Those would be used to develop a choices report that identified a number of options for the community to consider as it deliberated on the future of its transit system. He summarized the public engagement process related to the choices report, leading to a stakeholder's forum, to address the key issues and provide some initial direction on community vision. He said the COA project had been renamed Transit Tomorrow to better reflect its purpose to the community.

Ms. Reid expressed concern about the timing of the stakeholder forum, which was within a day or two of United Way's forces of change meeting. She said it was likely that many of the same participants would be invited to the stakeholder forum and that could decrease attendance, particularly by elected officials. Mr. McGlone said the stakeholder forum would consist of community members and staff from various agencies who could speak to the needs of transit users. Elected officials would be engaged in a different manner.

Mr. McGlone stated that the Transit Tomorrow schedule was adopted before the service change proposal had emerged. The consultants for both the technical work and for public engagement had expressed concern about holding the stakeholder forum simultaneously with the public involvement process on the service changes. Those concerns included confusion by stakeholder forum participations about the nature of its discussion and the impact community tension over lost service might have on the effectiveness of the forum to look toward the future. Consultants had asked that the stakeholder forum be postponed four to eight weeks until the middle or latter part of July. He said that would delay the entire timeline of the project by that amount and staff felt that a decision should be based on the Board's direction.

Mr. Necker said that he felt the consultant's concern about confusion of issues was valid, but was also concerned about the impact of delaying the timeline on the Transit Tomorrow project.

Ms. Reid said she was not in favor of delaying the Transit Tomorrow process because of the community's interest in having the project move forward. She agreed that messaging for public engagement in Transit Tomorrow and the proposed service changes might be confusing and suggested refining the messages for both to clarify intent and purpose. Mr. McGlone said staff had been developing a series of messaging strategies and approaches to hosting the forum that would support a productive conversation because the Transit Tomorrow timeline was of concern to both the Board and community stakeholders.

Mr. McGlone said the project was on time to host the stakeholder forum within the scheduled timeframe on June 12. If it was delayed, that would delay the timeline for the entire project. He said there were two pathways and while staff believed they would both be successful, one had a higher risk. The lower risk approach would delay the stakeholder forum. He said staff had plans to manage the risk associated with maintaining the current schedule, but was aware the Board was sensitive to having public processes that did not go well. He said consultants were strongly urging the less risky approach of delaying the stakeholder forum.

Ms. Reid asked if accepting the consultants' recommendation of a six to eight week delay would affect the timing of grant applications for STIF and MPO funding. Mr. McGlone said the results of Transit Tomorrow, and any associated service change implementation, would occur in Fiscal Year 2020 and would not impact current funding proposals to be submitted in the winter of 2018. He said another application for STIF funding could be made in May 2019, but even adhering to the current Transit Tomorrow schedule would not align its results with that application period.

Mr. Wildish asked if there would be unintended consequences to delaying the Transit Tomorrow process, such as losing momentum on other projects or incurring additional costs for an extended timeline. Mr. McGlone said staff had considered those potential consequences and determined none would occur because the Transit Tomorrow cost was based on a product delivered, not time spent. Loss of momentum might occur if the public involvement process began and then was suspended; public involvement had not yet begun so this was the appropriate time to make a decision on the project schedule. He reiterated the consultant's concerns about timing and the potential impact of the substantial changes to Gateway EmX on Transit Tomorrow's focus regarding a long-term vision instead of current changes, as well as community confusion about the two issues.

Following a discussion among Board members on a preferred approach to the Transit Tomorrow schedule, Mr. Wildish said there was consensus to avoid delays in the timeline and manage as closely as possible to the current schedule.

State Transportation Improvement Fund (STIF) Process Update — Ms. Jackson said eligible STIF projects could be implemented and eligible for reimbursement as of July 1, 2019. The first application window is in November 2018, with a second application window in May 2019. She said LTD, as a qualified entity for Lane County, was required to establish and adopt bylaws for an advisory committee, develop a written plan and a list of projects, adhere to STIF rules, and report on STIF activities. She said at this point a timeline for managing the program and draft advisory committee bylaws had been developed. She said the bylaws would be finalized when the state had completed its STIF rule-making.

Ms. Jackson said a tentative agreement had been reached with Lane Council of Governments (LCOG) to assist with administering the STIF program, including staffing the advisory committee and rural coordination, as managing the reporting requirements. She said the agreement with LCOG would be for two or three years and in an amount that would fall under her contracting authority, unless the Board objected. She said the Strategic Planning Committee (SPC) had been

engaged in a discussion of the new STIF program and formation of the new advisory committee. She said advisory committee membership applications would be issued at the end of May. Membership was open to SPC members who met the eligibility requirements and representation from outside LTD's boundaries would be solicited with LCOG's assistance. She said the bylaws and recommendations for advisory committee appointments would come before the Board at its July 2019 meeting. The committee's first meeting would occur in August.

Ms. Jackson said staff would review LTD's Long-Range Transit Plan to assure that any projects recommended for STIF funding were consistent with the plan and aligned with current projects in the Capital Improvements Program (CIP).

Mr. Necker asked about the role of the Accessible Transportation Committee in the STIF process. Ms. Jackson replied that the Board had multiple advisory committees, but three of them were mandated: the Budget Committee, the Special Transportation Fund (STF) committee that was a subset of the ATC, and the STIF advisory committee. She said ATC members could apply for STIF advisory committee membership if they met membership requirements. She said revised bylaws were being presented to the Board in order to clarify the purpose and function of each of its advisory committees.

Ms. Reid said the SPC had agreed to serve as the STIF advisory committee, with additional members, to meet HB 2017 requirements for committee composition. She asked if SPC and STIF advisory committee bylaws would be the same. Ms. Jackson noted that SPC members would need to meet membership criteria for the STIF advisory committee. She said there would be separate bylaws for the SPC and STIF committees. She emphasized that LTD would be the recipient of STIF funds for Lane County and the advisory committee would make recommendations for project funding to the Board. LTD would enter into agreements with subrecipients.

Board Member Reports — Mr. Nordin reported the LaneACT (Area Commission on Transportation) had discussed bylaws for the ACT and LCOG. Concern had been expressed by LaneACT members about not being included in the STIF process.

Ms. Reid reported that the Oregon MPO Consortium had discussed the STIF program at its last April meeting, as well as priorities for the 2019 legislative session, Safe Routes to Schools infrastructure grant program, and the Oregon Public Transportation Plan being developed by the Oregon Department of Transportation. The discussion of legislative priorities focused on funding for infrastructure upgrades and road maintenance, with an emphasis on areas outside the Portland Metro.

Ms. Reid said the SPC decided to postpone making a recommendation to the Board regarding LTD's role on the Main Street project Governance Team until its June 5 meeting. She explained concerns about LTD being seen as having a leadership role in a potentially controversial project when it was not actually a partner in that project and only provided technical support at the staff level.

Mr. Wildish asked to have a discussion of LTD's involvement in the Main Street Governance Team on the agenda for the Board's June 20 meeting.

Monthly Financial Reports - March — Ms. Shew thanked the Board for its approval of the Fiscal Year 2018-2019 budget. She reviewed the March 2018 Year-to-Date financial report provided in the agenda packet, noting key drivers for revenues and expenditures in the General Fund, Medicaid Fund, Accessible Services Fund, and Capital Projects Fund.

Monthly Cash Disbursements - April — Mr. Wildish thanked Ms. Shew for the footnotes explaining certain checks as it was very helpful. He observed that LTD expenditures had a significant impact on the local economy.

In response to a comment from Ms. Wick, Ms. Shew explained the process for reviewing and approving checks. She encouraged Board members to let her know if explanatory information was needed for any disbursement and she would provide a footnote in the report.

Monthly Grants Report - April — Ms. Wick asked about the status of the Fern Ridge Path improvements project as there were still unspent grant funds. Ms. Jackson said all work had been completed and reimbursements were still being finalized. The new CIP report format would include details of status, funding, and cash flow of each project.

Monthly Performance Reports - April — Mr. Wildish remarked that the proposed service changes would result in improvements to some of the performance statistics.


Monthly Department Reports - May — Ms. Wick asked if a report was available on exclusions from riding the bus. Ms. Jackson said that information was provided in the annual safety report.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING - REQUESTED BY THE BOARD — Mr. Yeh requested an update on LTD's in-house public safety program.


In response to a question from Mr. Wildish, Assistant General Manager Service Delivery Mark Johnson said LTD was in negotiations with Greyhound to lease space at the Springfield Station, with operations expected to begin sometime during the summer. He said space in the station was being upgraded for that purpose and Greyhound anticipated operating about 13 buses per day from Bay H. He said the agreement would be to rent about 400 square feet and would pay \$10,000 for the facility updates, monthly costs of \$1,000 for additional public safety services, \$150 for utilities and \$450 for the space. The lease would be for four years, with the rent reviewed annually. He said LTD was working closely with the Springfield Police Department as the project moved forward.

ADJOURNMENT — Mr. Wildish adjourned the meeting at 7:35 p.m.

LANE TRANSIT DISTRICT:


Kate Reid
Board Secretary

ATTEST:


Camille Gandolfi
Clerk of the Board

Date Approved: 6/25/18