

BOARD MEETING  
LANE TRANSIT DISTRICT

Tuesday, March 21, 2018

Pursuant to notice given to The Register-Guard for publication on March 14, 2018, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a meeting on Tuesday, March 21, 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  
April Wick  
A.J. Jackson, General Manager  
Dwight Purdy, General Counsel  
Camille Gandolfi, Clerk of the Board  
Marina Brassfield, Minutes Recorder

ABSENT: Steven Yett  
Ed Necker

**CALL TO ORDER/ROLL CALL** — Board President Wildish convened the meeting of the Board of Directors and called the roll at 5:30 p.m.

**COMMENTS FROM THE GENERAL MANAGER** — Ms. Jackson updated the Board on the status of the request to renew Mr. Necker's position. She explained the Governor's Office had received one application but had not moved forward because Carmen Ford, Senior Director of Federal Affairs for Transportation, was leaving, so the office was in transition. Ms. Jackson said that she thought as soon as a new person was appointed, they would move forward. Mr. Wildish said it would likely take longer. Ms. Jackson agreed, the process would affect appointments to committees.

**ANNOUNCEMENTS AND ADDITIONS TO AGENDA** — Mr. Nordin wanted to speak on Medical Transportation Management (MTM); Mr. Wildish added it to Item #13.

**BOARD CALENDARS** — Ms. Jackson said Board members were all connected to their own personal Board calendar. Ms. Jackson said effective March 22, 2018; she was on vacation for the rest of the month. In her absence, Mark Johnson would take care of additional duties. Ms. Jackson reviewed future events for the coming months.

Ms. Reid said she was on vacation starting May 3, 2018, so would be unable to make an SPC meeting if it changed. Mr. Wildish suggested she send an alternate.

**EMPLOYEE OF THE MONTH — APRIL** — Jeff Hatten, a Field Supervisor in the Operations Department, recognized Patrick Brandt as Employee of the Month for March 2018. Mr. Brandt was nominated by a customer, due to an incident with the customer in which he went above and beyond in providing exceptional customer service.

Mr. Brandt thanked the Board and training staff for their efforts. Mr. Wildish told Mr. Brandt he was a great representative of LTD.

**AUDIENCE PARTICIPATION** — Mr. Wildish explained the process for providing testimony to the Board.

**Jane Russel**, Eugene, introduced herself and explained she submitted a letter to the Board and Ms. Jackson. After a situation with RideSource happened, she researched their policies and gathered relevant information. She said she thought it was a good idea to take the opportunity and put her name to a face. She concluded her request was in LTD hands. Mr. Wildish thanked her for her comment.

**Joyce Godels**, Eugene, was at the meeting for the same issue as Ms. Russel. She provided a copy of her presentation for Board members. Ms. Godels often took RideSource to Ms. Russel's home. RideSource had provided her rides to and from Ms. Russel's home up until March 4, 2018. The residence was out of the RideSource boundary, but she had asked for an exception and exceptions had been made prior. The organization also confirmed plans to pick her up on March 4, 2018, but did not inform her they would not be picking her up until one hour before she was supposed to leave. The dispatcher had told her that policies changed, and they could no longer go out of boundary. Ms. Godels noted the dispatcher provided the best customer service he could, given the situation. Ms. Godels explained she had asked for an exception in the past and exceptions were made, probably about eight times, so the situation was disappointing and unexpected. Ms. Godels said the residence in question was about 2.1 miles outside of the RideSource boundaries, but because they did bring people out of the area into the boundaries, they decided to grant her the same, and she really appreciated the service - it was important to her. Ms. Godels hoped the Board would consider making an exception again.

#### **ITEMS FOR ACTION AT THIS MEETING**

**Consent Calendar** — Mr. Yeh moved to approve the consent calendar for March 21, 2018 as presented. Mr. Nordin provided the second.

The motion was approved as follows:

AYES: Reid, Nordin, Wick, Wildish, Yeh, (5)

NAYS: None

ABSTENTIONS: None

EXCUSED: Necker, Yett (2)

**LTD Ordinance: Rules for Board Meetings — First Reading** — Ms. Gandolfi said the changes to the ordinance were the result of the creation and updating of the Board and other committee bylaws. That process meant some public meeting rules in the ordinance needed to be updated as well. She said the motion would be a read by title only, and explained it would take two readings to be adopted; it would be adopted next month.

**MOTION:** Ms. Wick moved that Lane Transit District Ordinance 52 be read by title only. Mr. Yeh provided the second.

**VOTE:** The motion was approved as follows:

AYES: Reid, Nordin, Wick, Wildish, Yeh, (5)

NAYS: None

ABSTENTIONS: None

EXCUSED: Necker, Yett (2)

Mr. Wildish read Ordinance 52 by title only.

**General Manager 2018 Performance Goals** — Mr. Yeh said the HR committee met earlier that week. In the agenda packet were recommended goals for the GM. The HR committee came up with three main goals and objectives. The first was developing a process for continuous improvement using the American Bus Benchmark Guidelines (ABBG), a national scoring. Mr. Yeh explained the HR committee did not specify with ABBG categories should be emphasized, but instead would ask Ms. Jackson and staff to look into which ones they wanted to use. Mr. Yeh said Goal 2 was to continue positive relationships with the community. Goal 3 was to have specific deliverable items, such as managing the comprehensive operational analysis (COA) and significant progress of redevelopment of the fare system.

Mr. Wildish said that he appreciated the format of the recommendations.

**MOTION** Mr. Yeh moved to approve the General Manager 2018 Performance Goals as presented. Ms. Wick provided the second.

**VOTE** The motion was approved as follows:  
AYES: Reid, Nordin, Wick, Wildish, Yeh, (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Necker, Yett (2)

#### **ITEMS FOR INFORMATION AT THIS MEETING**

**Youth Pass Program Update** — Mr. Johnson reminded those present that the Board discussed youth passes at its recent retreat. At that time, staff agreed to review a few items and provide options to the Board. He explained that one option was if a youth pass program started that fall. Mr. Johnson explained LTD used to offer one in 2009; however, it was paid for through a Business Energy Tax Credit (BETC) and the program paid for itself. Then, in 2011 the program went away. Ridership dropped significantly from the youth population.

Mr. Johnson explained that staff looked at what would happen if the district eliminated the current youth fares and implemented the program fall 2019. He added the district revenue was about \$400,000 annually for youth passes. The cost of \$25 a month, which is half the adult fare. Mr. Johnson said area school districts purchased a limited amount, and there was a number of schools included in the group pass program. The District and youth were involved, in various forms, in some sort of reduced fare already, so staff looked at what would have to be done if the District wanted to implement a new program.

Mr. Johnson said the decision needed to be made by May 2018, in order to inform schools, market the program, and plan for service. The District needed to decide if it would be a universal program or an opt-in program. He explained that schools generally preferred to opt-in. Mr. Johnson said financial impacts included the loss of \$400,000 in revenue; and printing costs under \$10,000, which were fairly insignificant. As far as impacts to service, it was hard to say. Mr. Johnson said the District could start the program without service increases, evaluate the program, and increase later, if needed. He noted that service had changed significantly since 2011, when there was a youth pass in place, so it was hard to decipher the impact on current routes. A lot more research was needed to make a determination.

Mr. Johnson said another option explored was to further reduce youth fares. It might not be a free fare system, but the district could reduce the fare from \$1.75 to \$1.00. The District could see what impact that had on the system. The District would still lose some revenue, but not as much. He said that a lower fare would increase youth ridership.

Mr. Yeh said that he wondered how it would play out if students were only required to show a school ID card. Mr. Johnson said last time it was a school ID with a sticker. Kids changed schools and came and went, so the program had to be managed well. It was usually better to have some sort of LTD card they could validate. Mr. Yeh said that he wondered about the benefit of stickers. Mr. Johnson said students received stickers each term and it distinguished them from nonstudent youth. Ms. Jackson said schools wanted the ability to have more control over kids traveling to and from school, rather than LTD just allowing free rides. School district's wanted the ability to opt-in for students and address concerns they had.

Mr. Nordin said service was not really designed to travel to and from schools. Mr. Johnson said the impacts could be problematic, without adjusting routes and schedules. Mr. Wildish said that he also thought of that issue specifically. Routes were already busy around 7 or 8 a.m.; with the addition of students there would be a possibility of standing room only. Mr. Wildish was unsure impacts would affect the afternoon routes. Mr. Johnson said there would also be impacts in the afternoon. For example, at 2:45 p.m. there were around 150 North Eugene High School students waiting for a bus.

Mr. Yeh said that he wanted to explore implementing a youth plan on the existing service and making adjustments as the District went forward. He said that he understood how much pressure the District was under and the service complication implementation could cause, but with an opt-in program, schools could help manage the pass and possibly create a system for kids getting a bus pass. In terms of a timeline, he wondered if it would be problematic to make a decision at the next Board meeting, and have the ad hoc committee work on it. Ms. Jackson said the Board would have to make a formal motion as they would be changing the fare system. The District would also need to consider Title VI requirements.

Ms. Jackson said if there was a consensus by the Board that they wanted to return for action, staff would conduct the necessary research on Title VI.

Ms. Wick said that she was concerned that by pushing forward, the District might not be successful. She added that she was excited about the work the Board was doing, but she wanted to make sure everything was thought out. Because of Title VI requirements, the fare change may end up costing more. Ms. Reid echoed those concerns. From a financial standpoint, Ms. Reid said that she did not think it was a responsible decision. She added that she thought a youth pass was great, but it would cost the district \$400,000 while the district had not approved a budget for the next year yet.

Mr. Wildish stated that he was also concerned about economics. He noted the District would not have resources from the 2017 measure until July 2019. He said that he thought there was too much financial uncertainty, although he wanted a youth program and thought there was great merit in one. Ms. Jackson said if the Board did not want to bring back information on Title VI, she could schedule a meeting with Mr. Yeh and Mr. Nordin to review Title VI. That information could help them on the committee.

Mr. Yeh said that he was aware of the financial impact but saw it as an investment in LTD and the community's future. He thought the district would see it pay off later. He noted one way to get closer to a youth program was to lower the youth fare. The Board had an opportunity to do something, and he wanted to take that chance. Mr. Yeh said that he wondered if it was possible to bring back two possible proposals to the Board. Ms. Jackson said staff was happy to accommodate the Board's request; but since it was a fare discussion, staff would want support from all members.

Mr. Yeh asked the Board what they thought of bringing back one proposal focused on a card and sticker, and another proposal of \$1 for the new youth fare. Ms. Wick said she would not be ready to vote affirmatively on something that would change the fare structure yet. She said that she wanted to push forward but wanted to approach the issue thoughtfully. She said that she felt uncomfortable without knowing the full scope of the budget implications. Ms. Wick said that she thought the Board was putting things in place to take action at some point, but she was not ready yet. Ms. Reid said that she did not feel comfortable asking staff to work on those two items without a unanimous decision from the Board. She said that she knew how much time those things took. She added that she heard the urgency behind doing something, but too many things had come up for her to feel comfortable. Ms. Reid said that she wanted the ad hoc committee to approach the issue with a clean slate – she did not want to put barriers on the ad hoc committee. Ms. Reid added that she thought the district was set up for success with the transportation package money they would be receiving, but also did not want to depend on those funds for reimbursement.

Mr. Nordin said that he heard Ms. Reid and Ms. Wick. He said there was an opportunity to begin a truncated program to get more information, data, and experience to be better prepared for implementation the next time. He said that he was aware that Title VI could be a problem, but staff could convey a message to the public that it was a pilot program and was not full-fledged.

Mr. Wildish supported the youth pass but was also uncomfortable with the economic impacts. He said the District did not know if they had the resources and would know more in a few weeks. Mr. Wildish said that he agreed with Ms. Reid and Ms. Wick. Mr. Yeh said that he recognized \$400,000 was not a small amount, but thought that the District spent a lot of money in other areas; for example, honored riders were riding for free. He supported the honored riders program but wanted the Board to be mindful of where dollars were already going and where they were valuing ridership. Mr. Wildish said at some time in the future, there would be an improved youth pass. Ms. Jackson emailed Title VI requirements to Board members. Ms. Reid said that she was grateful that Mr. Yeh is committed to serving on the ad hoc committee.

**Board Member Reports** — Ms. Reid said they were working on putting an ad hoc committee together. She said that she believed a business community representative was secured, a facilitator, and a nonprofit representative. Ms. Reid concluded that meetings would be scheduled soon.

Ms. Reid said SPC discussed HB 2017 and how it related to SPC. The bylaw update was put on hold to see what SPC wanted to do. It sounded as though SPC wanted to be an advisory body for HB 2017 funds. SPC wanted to add members for the required meetings, who would review the submissions from eligible organizations. Those additional people would only show up at those specific meetings. She explained three options were presented to the SPC. One was no, the second was yes and add additional full-time members, and the third was to add

members only during the review process. The SPC recommended continuing with monthly meetings and inviting the additional members to review applications at select meetings.

Mr. Wildish asked how many times the review committee had to meet. Ms. Jackson said the requirement was twice per year, but the first year might be significantly more than that as the SPC got comfortable in their roles and better understood the process. Ms. Reid said SPC also went over similar items to those discussed during Board Retreat, around the expenditure of funds, and what was eligible for reimbursement. She added that at least one percent of funds would be spent on student transit activities, so she thought that could be taken into the student fare discussion.

Ms. Jackson said certain projects were eligible, provided all the pieces were in place. She explained staff wanted the draft bylaws, of the newly formed committee, complete by the next Board meeting. The sooner bylaws were made, and members could be appointed, the sooner the committee could meet and make decisions. Ms. Reid said there would be a period of public engagement, so other agencies were aware of funding opportunities from HB2017.

Ms. Jackson said some committee members thought projects should be pushed to November 2018. Other committee members thought that was moving too fast. Ms. Jackson explained that the state gave a new deadline of May 2019. She said if LTD missed the first deadline because of outreach to rural areas and Board discussion, the district could always make the second deadline.

Ms. Reid noted that the City of Eugene would launch its bike share program on April 19, 2017.

**Monthly Financial Reports – January** — Director of Finance, Christina Shew, provided a January 2018 financial report to the Board. She noted payments were somewhat unfavorable, due to some taxpayer errors. Ms. Shew said it had been confirmed that the overpayments were not due to Department of Revenue errors. Unfortunately, the District found taxpayer errors of \$500,000 in overpayment. It would be adjusted in Quarter Four. In addition, there were more transfers than anticipated, as well as promotions for EmX.

Ms. Shew said expenditures were favorable by \$4 million, due to lower personnel service and associated materials and service costs. The District also did a forecast through June 30, 2018, and she did not expect to need a supplemental budget. Expenditures were pulled back enough by departments. Ms. Jackson said once the District realized there was an error, they had to start readjusting and making tough decisions. Ms. Shew's team is working to get the best estimate using projections.

Ms. Shew said Medicaid revenues exceeded expenditures which was rare. The reason was because the district held payments. A vendor was out of compliance with a contract, in part due to some NOVUS issues. LTD did not reimburse for trips until February 2018. She noted it was paid in February, so on the Board's disbursement sheet, they did see a big payment. Ms. Shew said progress continued to be made on the backlog of claims. She explained an analysis showed the district was on target for the end of the fiscal year.

Ms. Shew explained the accessible services fund. She said it continued to be better than planned, mostly due to budgeted ridership. Revenue was lower due to the timing of invoicing. Ms. Shew noted that Point2point revenues were higher than expenditures by \$46,000. Expenditures to date were for Driverless Connect, Safe Routes to School, and Vanpool. The

reason for a positive amount was because of transfers from the general fund that were in progress. She noted when the transfers were completed, there would be an additional \$138,000 in expenditures. It would result in the District exceeding revenue by \$92,000, which was still in line with the planned budget.

Ms. Shew said capital projects fund revenues were \$6 million unfavorable to the District budget. She said it was related to the timing of drawdowns, which were \$11.2 million. Expenditure favorability was project timing related, so the biggest to date were Willow Creek Station and the EmX expansion.

Mr. Wildish asked if there was any retention on the EmX project. Ms. Shew said yes, the District had been paying out parts of the agreement, but it was not all fully paid out. There were still disbursements being made.

Ms. Jackson explained Ms. Shew's revenue projection. She said the District would likely not need additional appropriation but the budget would affect how the District moved forward into the next year. She said the District was able to confirm the tax payer error was not a state error, it was a company error. The developed software did not discover the mistake for almost 2 years, so the District had made annual projections incorrectly based off the software.

**Monthly Cash Disbursements – February** — Mr. Wildish asked whether MTM was compliant; he said that he thought they must be because LTD sent a check. Ms. Shew said they were still not completely compliant; part of why they were not compliant was the NOVUS software. The District felt MTM should still be reimbursed for some work they could confirm since software issues were out of their control. Mr. Yeh asked why MTM was not compliant. Ms. Jackson said MTM was supposed to report for Medicaid and RideSource services. LTD needed to be able to produce all of those reports to the state. Part of MTM's payment was for those months they had to report in the way LTD requested. MTM was unable to collect data in some areas LTD wanted, because the software did not allow them to collect the data. MTM did everything within their control to be compliant, so LTD worked with them on the issue. MTM verified some areas of work, so LTD was able to provide payment on those areas. Ms. Jackson said there had been a series of meetings with the software company to make sure everything was moving forward as it should be.

**Monthly Grant Report – February** — Ms. Shew provided a February 2018 Grant Report to Board members. Relevant documents were included in the agenda packet.

**Monthly Performance Reports – December/January** — Mr. Nordin said it seemed ridership was increasing. Mr. Wildish wondered if the increased ridership was due to more transfers, or if LTD was actually carrying more people. Mr. Schwetz said both scenarios were occurring. There were more transfers in the system after the EmX expansion, but on top of that number, LTD was seeing an increase in overall ridership. Mr. Wildish said the District was seeing the revenue hours continue to increase. He asked if the district increased revenue hours in October 2017. Mr. Schwetz replied that LTD increased revenue hours in the fall and then decreased them in the winter. Mr. Wildish noted the total revenue hours up about 1,500 hours between January 2017 and January 2018. Mr. Yeh noted the district decreased some transfers. Mr. Schwetz agreed and said some changes provided more direct trips. Mr. Wildish noted that was a good point, and explained numbers in the performance report were transfers, so it was the same trip. They were not solely boarding numbers.

**Monthly Department Reports – February** — Ms. Jackson pointed out some changes passed at the state level that were for Statewide Transportation Improvement Plan (STIP) funds. The state expanded eligible projects to light rail. Previously, it had been specified as ineligible. TriMet did a low-income program and student program, where students used light rail and busses. If students did not have to pay for the bus but did for light rail, it did not make sense, so they added one percent more for students in certain areas. Ms. Jackson explained that because of the change, LTD and another county could collaborate on an inter-county project, which would have a joint advisory committee. It also allowed LTD to enter into a contract with LCOG to be able to see how rural transportation services were being provided. Also, how to reach out and see what their needs are and facilitate how they can submit projects they feel are worthy. LTD was the provider for Oakridge and Florence, so LTD received the funds and directed them solely to those operations. Cottage Grove would receive funds for itself and additional funds to direct to neighboring cities.

Mr. Yeh said the Business Commute Challenge was coming up; he asked Board members to actively participate in the challenge. Mr. Wildish received a lot of questions about the electric bus fleet, but it was not yet in service. It indicated people were excited.

#### **ADDITION TO AGENDA**

**MTM / South Lane Wheels Contract** — Mr. Nordin said MTM and South Lane Wheels were feeling a lot of pressure. He said that he did not think they would be able to continue operations as they currently were, so he was trying to understand what was happening. It seemed like one critical thing happening was Medicare rides were being sourced to RideSource or other organizations and not South Lane Wheels, so the company could not bill and were not receiving the revenue for those rides. He thought South Lane Wheel was going to have to provide taxi cabs for persons in wheelchairs when accessibility wasn't provided. He said it seemed shortsighted to not provide enough activity to keep the entity in business. Mr. Nordin said when HB 2017 funds came in, LTD would have to do more service but would not have those providers in place. They would still have to provide the service somehow through private contractors.

Cosette Rees said LTD contracted with MTM to provide services for RideSource. The contract included metrics, so LTD managed to those metrics. Ms. Rees spoke with South Lane Wheels, and they understood her situation, but it was a bigger issue than South Lane Wheels. There were some performance issues at RideSource that were a concern to LTD, MTM, and other partners. LTD understood RideSource was not operating the way they wanted it to operate. MTM could only do as well as the support they were given, and some issues South Lane Wheels was experiencing were because of the NOVUS software. Ms. Rees said LTD was in conversations with MTM to try and correct issues affecting South Lane Wheels. Functionally, NOVUS was great, but LTD was currently experiencing reliability issues that needed to be fixed.

Mr. Nordin said that he wondered if once those issues were resolved, funding would resume. Ms. Rees said MTM had been paid, but there were certain areas they could not fund because the organization did not provide the metrics to do a report. But when staff looked back, they saw it was because of the lack of tools. MTM could now make those reports and were being paid. Ms. Rees clarified it was not only South Lane Wheels experiencing the problem, so LTD was meeting with all providers.

Mr. Nordin asked about South Lane Wheels and HB 2017. Ms. Rees said LTD got paid an admin rate of per member per month. Staff projected they would have enough money to cover all organizations for admin costs, and maybe a little extra. Ms. Rees said as far as paying providers, Trillium reimbursed them for trips.

Mr. Nordin referred to the public comment provided that evening and wondered if MTM was tracking its out of area policy. Ms. Rees said LTD had an out of boundary policy for RideSource. The intention of the policy was to bring people into the boundary who qualified for ADA and lived within 5 minutes outside of the boundary. Ms. Rees explained this instance was the reverse of that policy because someone who qualified for ADA lived within the boundary and wanted to go outside of it. LTD had been making exceptions for the individual, but MTM was now enforcing the policy. Ms. Rees said the community member had requested a reasonable modification, and LTD had a process to review the request.

Ms. Jackson explained the previous provider had been contracted with LTD for 32 years. LTD did not know about those exceptions until they changed the provider. The new company was trying to adhere to the contract since they could not bill for reimbursement outside of the contract. The contractor was providing services according to the contract. LTD would have to review all the exceptions made, review them collectively, and determine whether to incorporate into the contract.

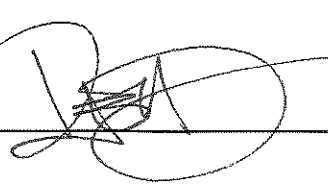
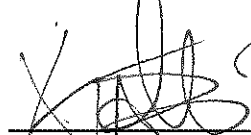
Ms. Wick said that the Accessible Transportation Commission (ATC) had received communications about RideSource. She said she thought it had a lot to do with trust. When LTD changed providers and began using a new group, there was a real or imagined fear, and some trust building was needed. She said that she was interested in having LTD do community outreach, such as forums or hosting listening sessions. Ms. Rees said the first place complaints needed to go was RideSource. LTD contracted with them to provide service and address complaints. LTD had received some complaints, and she thought it was largely because of the transition. There had also been some employee turnover, which impacted some community members. When LTD received a complaint, they communicated to folks that they would forward the complaint to MTM or RideSource, and if the complaint was not addressed, they should call LTD.

Mr. Wildish asked about the public comment. Ms. Rees said MTM called LTD, and LTD would undergo with the reasonable request for accommodation. Mr. Wildish asked if NOVIS was being changed. Ms. Rees said LTD was contracting with an IT consultant, who would look at LTD's infrastructure to ensure problems with NOVUS were not on LTD's side. She said LTD had still seen improvements in MTM's metrics, even with all the issues NOVUS brought.

Ms. Jackson said a colleague visiting Washington, D.C. did announce the new federal package included an extra \$209 million in formula dollars, \$161 million in grants for bus facilities, and \$29 million in Low or No Emission Vehicle Plan (LoNo). Ms. Jackson said that was in addition to what LTD already received. She added that staff would be applying for grants and she thought the organization could get a few million additional in funding.

**ADJOURNMENT** — Mr. Wildish adjourned the meeting at 7:18.

LANE TRANSIT DISTRICT:



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Kate Reid  
Board Secretary

Date Approved: 4/18/18

ATTEST:



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Camille Gandolfi  
Clerk of the Board

*(Transcribed by Marina Brassfield, LCOG)*