

MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT  
STRATEGIC PLANNING WORK SESSION

Wednesday, November 12, 2014

Pursuant to notice given to *The Register-Guard* for publication on November 6, 2014, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a strategic planning work session on Monday, November 12, 2014, beginning at 8:00 a.m., at the offices of Wilson-Heirgood Associates, 2930 Chad Drive, Eugene, Oregon.

Present: Gary Wildish, President  
Carl Yeh, Vice President  
Julie Grossman, Secretary  
Michael Dubick  
Gary Gillespie  
Angelynn Pierce  
Ron Kilcoyne, General Manager  
Jeanne Schapper, Clerk of the Board  
Lynn Taylor, Minutes Recorder

Absent: Ed Necker, Treasurer

**CALL TO ORDER/ROLL CALL:** Mr. Wildish called the meeting of the Lane Transit District (LTD) Board of Directors to order at 8:00 a.m. and called the roll. Ms. Grossman arrived at 8:05 a.m.

**WELCOME BY BOARD PRESIDENT:** Mr. Wildish welcomed those present and thanked them for participating in the work session.

**BOARD TRAINING FOLLOW-UP (FROM NOVEMBER 10 MEETING):** Mr. Kilcoyne introduced Tammy Fitch of Wilson-Heirgood Associates who would be providing a follow-up to the training session that was held on November 10, 2014. He said that Ms. Fitch would respond to any questions or concerns that arose during the previous meeting.

Ms. Fitch stated that Board members were defended and indemnified by LTD's special district insurance coverage in the event that a lawsuit against the District also named individual Board members. She said coverage also extended to officers, employees, contractors, volunteers, and agents of the District. Discretionary immunity protected the Board when it made decisions within budget constraints based on the positive and negative information provided by staff. She stressed that being named in a lawsuit against the District would not impact Board members' personal finances; and, if necessary, a letter could be provided stating that a Board member was defended and indemnified by the public entity.

Ms. Fitch said that the Board's power resides in acting as a whole, not in the actions of individual members. When an issue is raised by a member of the public, Board members should refer it to staff rather than addressing it themselves. She said Board members could be empathetic to a citizen's concerns, but should not attempt to resolve the matter themselves.

Mr. Gillespie asked for clarification that, while a Board member should not make promises to a citizen who raised a concern, it was acceptable for the Board member to obtain the information from staff and then provide it to the citizen. Ms. Fitch responded that when a Board member started a one-on-one dialog with a member of the public, it could create precedent for direct engagement by Board members, which is discouraged. She advised the Board not to become involved in debates with members of the public, but to refer questions and concerns to staff to be addressed. She said that Board members should not try to be experts in every aspect of the District's operations. She reminded the Board that all correspondence, including e-mails, between Board members and staff are discoverable; and those communications, and all interactions with staff, should be professional.

In response to questions from Mr. Wildish, Ms. Fitch said that while two Board members could meet outside of a Board meeting, the discussion could not involve a matter on which the Board would be voting. She said that at events where four or more Board members were present, such as a Rotary meeting or award ceremony, it would be best to sit at separate tables and avoid discussions with other Board members in an effort to avoid the perception that Board business was being discussed. She encouraged interaction among Board members to build good relationships, but those should be for informational purposes only. A quorum should be avoided when the discussion includes LTD issues. To document any public communication among Board members, she suggested saving a meal receipt if a meal was involved and including a brief note as to who was present and the topic of discussion.

Ms. Fitch reviewed the reasons for which the Board could enter an executive session and cautioned that only the stated topic could be discussed during the executive session. The topic or topics of the executive session had to be stated in the motion to enter executive session. The Board is allowed to reach a general consensus during an executive session; however, the formal decision should be made in an open meeting.

Mr. Dubick asked if attorneys and auditors could be considered employees of the Board, along with the general manager, since the Board was involved in evaluating applicants for those consulting services. Ms. Fitch said that attorneys and auditors were not considered employees; they were consultants hired to provide advice. Attorneys were hired to represent the District, not individual Board members. Board members might be involved in the evaluation of candidates for those consulting positions to assure that they met qualifications.

In response to a question from Mr. Wildish, Ms. Fitch encouraged the Board to participate in other groups with partner agencies to build those relationships and foster collaboration.

Regarding conflicts of interest, Ms. Fitch said that it was best to be conservative. If a Board member felt there could be a potential conflict of interest, he or she should declare it and then abstain from further discussion or vote on the subject.

**CONNECTING THE DOTS:** Mr. Kilcoyne said that there were many aspects to the District's operations; and while it sometimes seemed that an issue was discussed in isolation, his presentation would demonstrate how those aspects were connected. He said that successful organizations focused on why they existed, not what they did. This was embodied in LTD's Mission statement, "We provide people with independence to achieve their goals, creating a more vibrant, sustainable, and equitable community."

Mr. Kilcoyne referred to inspirational topics and how they relate to LTD's Mission. One is developing consensus around a funding model that allows LTD to provide the optimal level of

benefit to the community as defined by the community. Services provided by transit districts are dictated by the revenues they receive. Revenues are generally dictated by the state of the economy, not the demand or need for services.

Mr. Kilcoyne said that the challenge is to determine the level of service that should be provided to the community and considering the point at which adding more service does not result in increased ridership. He said that the District was publically funded to provide benefits to the community, including environmental, economic, and social equity benefits; and the level of benefit provided is tied to the number of people using transit.

Mr. Kilcoyne said that the District should aspire to improving mobility and accessibility so that car-owning households could realize savings by owning one fewer vehicle, and households without cars could have equal access to opportunities with car-owning households. Another aspiration was to enable the communities that LTD serves to be true 8-80 Cities as described by Gil Penalosa.

Mr. Kilcoyne said that those aspirational statements reflected the "why" of LTD's mission statements, and the District's activities should support its mission and aspirations. LTD's two primary guiding documents are the strategic Road Map and the Long-Range Transit Plan. He said that there are basic principles related to how LTD operates as an organization:

- Making efficient use of resources
- Exceeding customer expectations
- Being a great place to work

Mr. Kilcoyne said that LTD fosters a culture of safety; and parallel to that, a culture of continuous improvement. He described several major initiatives that help to carry those principles forward and sustain the Mission statement:

- TransitStat - A data driven program that helps identify areas where improvements could be made in efficiency, productivity, customer service, and working conditions.
- DLOTS - Identify the Desired Level of Transit Service through engaging the community in developing a vision for transit in the region; develop consensus and support for how to pay for those services.
- Sustainability - Practices at all levels of the organization to assure that everything the District does benefits the future, rather than jeopardizing or harming future generations.

Mr. Kilcoyne said that the District has undergone a number of governance changes during the past year to assure that it has the organizational capacity to achieve its mission. Changes included consolidating six department director positions into three, with a focus on three functional areas: 1) Customer Services and Planning; 2) Operations and Customer Satisfaction; and 3) Finance and Human Relations. Other changes included expansion of the Leadership Council, addition of an internal auditor position, and integration of strategic direction throughout the District. He described several current planning initiatives, including the West Eugene EmX Extension, Main Street-McVay Highway to Lane Community College, and other key corridors. Customer Satisfaction initiatives included real-time web information, electronic fare system management, a greater number of pricing options and fare mediums, and reducing fare evasion and enhancing enforcement. He said that there also were a number of initiatives to improve the workplace based on feedback from employees.

Mr. Kilcoyne stated that the District's primary source of financial support is the payroll tax, and staff are working with the Oregon Transportation Forum, which is developing a package of legislation for the 2015 legislative session to support transit. LTD also would propose legislation to restore funding for the student pass program. He said that transit also needed a new local funding source, and part of the community engagement process would be to reach consensus on what that might be and build a vision for sustainable accessibility.

Ms. Pierce asked if fare evasion was a problem on EmX corridors. She noted that her fare was never checked when she rode EmX. Mr. Kilcoyne said that the District did have fare inspectors, although inspectors were not on every vehicle. He said fare avoidance was common on high capacity transit; although only 10 percent or fewer EmX riders paid a cash fare; the rest use passes or are transferring from other buses. Mr. Vobora added that more than 70 percent of riders in the LTD system used prepaid fares. He said that the District needs to consider the balance between the cost of more aggressive enforcement and the amount of revenue lost through fare avoidance.

Mr. Gillespie suggested saturating an EmX corridor for a day with fare inspectors to deter fare evasion.

In response to a question from Ms. Pierce, Mr. Kilcoyne said that fare inspectors asked everyone on a bus to verify their fare and did not just focus on certain riders.

Mr. Yeh said he hoped that the District would be able to restore youth passes to encourage transit use as a lifelong habit. He said that fare enforcement was beneficial in demonstrating to riders that everyone was treated equally. He noted that the District was reliant on payroll taxes and asked if there were efforts to assure that the employees of businesses that paid those taxes could use transit to get to and from work. Mr. Kilcoyne said that many major employers in the region were served by transit routes, but it was a challenge to provide service in some areas such as West Eugene. Recent commercial and industrial development in the Coburg area was being served.

Ms. Grossman commented that both funding and DLOTS were major community conversations, but she did not see language that specifically addressed engaging the entire community in addition to employees and riders.

Mr. Gillespie said that LTD's goal should be to convince the community of the need for, and benefits of, transit services; the community could then convince the payroll taxpayers. He said that he wanted to see transit services be free by the time LTD was 50 years old.

**RECESS:** The Board was in recess from 10:00 a.m. to 10:15 a.m.

**STRATEGIC THEMES FOR 2015-2015:** Planning and Development Manager Tom Schwetz stated that both prudence and audacity were needed to choose strategies for moving forward with the quality of contextual intelligence, or having a sense of the contextual factors involved in the creation, growth, or transformation of a business. He said that based on LTD's Mission statement, the context for the District's future included both internal forces (service costs and funding levels) and external forces (public policy making and community support).

Mr. Schwetz said that the key drivers for service costs were fuel price volatility, technology advancements, future skill requirements, labor costs, and healthcare costs. As a service organization, about 80 percent of costs were labor related. The District has taken measures to manage fuel volatility through bulk purchases and fuel storage when prices were favorable, and has invested in hybrid technology to reduce fuel consumption. He said that funding levels at the state and federal levels remain uncertain, but it is encouraging from a transit perspective that the Oregon Department of Transportation is seeking to fund multi-modal projects rather than focusing on highways. He said that LTD would continue to connect transit to broader community visions of the future and expand the partnerships that had always been a critical part of LTD's success. He said that strong community support was essential to LTD's mission, and it was important to monitor shifts in underlying values and public perceptions concerning transit.

Mr. Schwetz said that uncertainty would continue to increase in the future, and it was important to monitor the strategic environment to sustain and increase contextual intelligence. He said that LTD had defined in its "why" and "how" statements the reasons the District exists and the values it represents. Those statements should be embraced and used to make choices about the future.

Mr. Gillespie commented that income inequality was a factor, and LTD tended to be more involved with low-income populations than many other public agencies. He noted the differences between voting patterns in Oregon and at the national level and the fact that the District depended on federal funds as well as payroll tax revenue.

Mr. Wildish asked how the maintenance of new hybrid and electric vehicles compared to diesel-powered vehicles. Maintenance Manager Ernie Turner said that maintenance of the new vehicles was more expensive, but it was offset by lower fuel costs. Mr. Kilcoyne remarked that maintenance costs would decrease as the technology evolved.

Ms. Pierce commented that the public should be made aware of how LTD's use of new technology benefited the environment and public health.

**OVERVIEW OF LTD'S ROAD MAP STRATEGIC PLAN:** Director of Customer Services and Planning Andy Vobora stated that LTD is mission-driven and more than a bus company; it connects the community. He said that in order to gain community support, that vision needs to be better articulated. This prompted development of the LTD *Road Map* through an inclusive process. Themes that emerged during the process included freedom and independence, equality and accessibility, and community connections--all of which were embodied in the Mission statement.

Mr. Vobora said that once the "why" or mission statement was created, the process looked next at "how" and "what" statements and incorporated the following value statements throughout the document. The value statements are:

- Practice safety
- Be professional
- Take initiative
- Work together

Mr. Vobora said that safety and sound fiscal management were emphasized in the *Road Map* update. A booklet was being developed to help communicate the *Road Map's* message to employees and Board members.

Mr. Vobora said that performance outcomes, with measurable metrics, were being developed in several categories. He said that the intent was to reduce the list of outcomes to the most significant. Examples of outcomes being considered are:

- Fixed-route and paratransit on-time performance of 90 percent
- Fewer than .5 percent missed trips
- Fixed-route service coverage within one-third mile of (to be determined) percent of metro area households
- 90 percent overall approval rating on customer and community satisfaction surveys
- Miles between road calls reduced by (to be determined) percent

Mr. Gillespie questioned if it was better to set a goal that had already been achieved or establish a new goal at a higher level. Chief Financial Officer Todd Lipkin said that depending on the goal, it could be preferable to strive to maintain a certain level of performance, such as household coverage, while cities were expanding urban growth boundaries. Mr. Vobora added that it was a values judgment. A previous Board had established the standard that 75 percent of resources would be allocated to productivity and 25 percent would be allocated to coverage.

In response to a question from Ms. Grossman, Mr. Vobora clarified that there were no industry standards for those numbers; it became a matter of community values.

Mr. Kilcoyne added that there was no common definition of "reasonable walking distance" to a transit stop; it could vary from community to community.

Mr. Schwetz said that there were many ways to think about coverage; and while geographic coverage was one approach, assuring access to transit for communities of concern was another approach that might require aspiring to a higher percentage of household coverage in certain neighborhoods.

Continuing, Mr. Vobora asked for feedback on the following potential outcomes:

- Provide a viable alternative to automobiles through high-quality transportation options, programs, and services
  - Increase ridership by 3 percent per year
  - Increase transportation options use in the community by (to be determined) percent per year

Mr. Gillespie suggested removing the word "viable" and making "alternative" plural. He expressed that he liked the metrics that were listed. After a general discussion, the consensus of the Board was to leave the term "viable" in the statement.

Ms. Grossman suggested adding a metric related to employee group passes.

Mr. Vobora said that other metrics under consideration would address the following areas:

- Develop relationships with local, state, and federal organizations
- Provide leadership in transportation planning in the community
- Obtain funding through grant applications

Mr. Lipkin cautioned against setting a metric based on the percentage of grant applications funded because an application might be well done but not funded due to circumstances beyond LTD's control.

Mr. Dubick suggested a metric based on maximizing the use of grants to achieve LTD's goals. He liked the concept but felt it would be difficult to establish a fair metric.

Mr. Vobora agreed that while the three areas were worth pursuing, it would be challenging to develop associated metrics.

Mr. Wildish stated that he also felt it would be hard to establish metrics in those areas. He said that if there was historic data available on those activities, it could provide a baseline. Mr. Kilcoyne agreed. He said that the topics were more qualitative than quantitative.

Ms. Grossman said that her organization surveyed employees and supervisors annually about the benefits they had obtained from trainings they attended. That data could be used for comparison from year to year and provide a baseline for establishing a metric.

Mr. Gillespie commented that many organizations conducted annual or semi-annual training related to diversity or populations that used their services.

Marketing Manager Russ Arnold stressed the importance of having a common definition and understanding of terms such as "leadership" in order to measure progress or outcomes.

Mr. Vobora said performance outcomes related to practicing safety, as well as maintaining safe vehicles, services, and facilities, were better suited to developing metrics. Another set of metrics would relate to sound fiscal and sustainable management. Mr. Lipkin noted that it would be necessary to determine which costs were considered overhead if a metric related to reduction of overhead was considered.

Mr. Vobora added that additional metrics related to maintaining negative turnover at 3 percent or less and achieving ISO 14001 certification.

**SETTING STRATEGIC PRIORITIES FOR LTD'S CAPITAL INVESTMENTS: LTD'S NEW CIP PROCESS** – Mr. Lipkin said that LTD's Capital Improvements Program (CIP) had depended upon the Metropolitan Policy Committee's (MPC) public process to meet federal requirements up until 2010. At that time, the District added further public participation by publishing its CIP list of projects for review and comment and providing that feedback to the Board. Beginning in 2013, the CIP became a 10-year plan and was published in the form of a document that communicated to the public what the District's process was for selecting, ranking, and funding projects, including a description of each project. He said that at that point, while the CIP referenced investment priorities, projects only had to address those priorities and were not scored or analyzed against the priorities or each other. The priorities were:

- Delivering essential public transportation service
- Developing innovative service that reduced dependence on the automobile
- Maintaining fiscal integrity

Mr. Lipkin explained that the new prioritization process was designed to get all ideas on the table and would consist of the following:

- Projects could be submitted from across the organization based on an identified District need. Coordination was encouraged to avoid duplication.
- Project managers would rank projects based on three criteria:
  - 1) Impact of project deferral
  - 2) Feasibility of implementation
  - 3) Operating budget impact
- Depending on the type of project, additional criteria would be part of the ranking process:
  - Ridership/quality of service delivery
  - Economic impact
  - Environmental impact

Mr. Lipkin said that once all projects had been submitted, they would be reviewed by a strategic team consisting of Mr. Kilcoyne, Government Relations Manager Edward McGlone, Mr. Schwetz, and himself to determine reasonableness of the initial criteria ranking and whether additional information was required. The team also would match the project with a potential funding source if one was not already identified. He said that the project list would then be presented to the internal CIP group to conduct a final analysis of the projects and rankings. A draft CIP would then be issued for a 30-day public review period, including a public hearing, before being presented to the Board for final approval.

Mr. Dubick stated his strong support for the new approach to developing the CIP.

Mr. Wildish added that he liked the concept of casting a broad net at the outset of the process, then applying filters to assure projects met LTD's strategic goals.

Ms. Grossman suggested that part of the CIP process could provide data for the grant writing metric discussed earlier. She also suggested engaging key partners in the process before issuing the draft CIP for public review. Mr. Lipkin said that could be built into the process next year as there were time constraints this year.

Ms. Grossman added that one approach could be to provide Board members with the tools to have CIP strategic conversations with key community partners before public release of the CIP to encourage their support for projects.

**RECESS:** The Board was in recess for lunch from 11:45 a.m. to 12:10 p.m.

**ENVISION EUGENE:** City of Eugene Planning Director Robin Hostick presented Envision Eugene, the City's plan for growth and transformation over the next 20 years and the role that transit would play in that process. He said that transit was an asset and benefit to the community and a foundational piece for growth and development.

Mr. Hostick said that Envision Eugene anticipated about 34,000 more residents over the next 20 years, and the plan addressed the economy, social equity, and the environment. In order to overcome the community's challenges, the plan's development followed a different path than previous planning efforts by bringing opinion leaders in the community together as a community resource group (CRG) to move from worst fears to best outcomes, which changed how conversations took place. He said that technical resource people participated in conversations to



share their knowledge and experience once consensus was reached around major issues. He added that a major outreach effort was conducted at the grass roots level, as well.

Mr. Hostick explained that Envision Eugene consisted of seven pillars, which were the underlying aspirational values:

- 1) Economic opportunities
- 2) Affordable housing
- 3) Climate and energy
- 4) Compact development and transportation options
- 5) Neighborhood livability
- 6) Natural resources
- 7) Flexible implementation

Mr. Hostick said that each pillar had a set of recommendations consisting of strategies and policies designed to guide implementation of the plan. He said that the City Council had established some aggressive goals with respect to reduction of greenhouse gas emissions, and investment in transit was an important strategy. He said that the CRG continued to remain involved informally in implementation of Envision Eugene.

Mr. Hostick said that the City planned to meet all of its commercial needs within the urban growth boundary (UGB), with some expansion planned for industrial uses at the western edge. He said that zoning along West 11<sup>th</sup> Avenue and Chad Drive would be more flexible to promote more development. He said LTD's frequent transit map was used as a framework to guide planning for future growth. Mr. Kilcoyne remarked that industrial development in the vicinity of the airport could make a bus route in that area more feasible.

Mr. Hostick said that 100 percent of new multi-family housing and 90 percent of single-family housing could be accommodated within the UGB. The mix of new housing over the next 20 years was expected to be 55 percent single-family and 45 percent multi-family. Recommendations were being developed for the area of UGB expansion needed for single-family housing. The Lane Community College (LCC) basin was one site being considered for expansion due to its transit connections.

Mr. Kilcoyne remarked that residential and mixed-use development in the vicinity of LCC would make enhancement of transit service to that area feasible.

Mr. Hostick said that 20-minute neighborhoods were healthy, walkable neighborhoods in which a person could meet most of their daily needs within a 20-minute walk. He said that factors were distance, destination, and density. He said that urban design was not a factor at this point, but could be a part of the next generation of enhancements to the plan. He said that an intern in his office had conducted a livability analysis of bus stops along West 11<sup>th</sup> Avenue, looking at factors such as cover, seating, timetables displayed, planters, eyes on the street, and safety lighting, and proximity to crosswalks. A prototype of a "Five-star" bus stop was developed, and the report discussed which amenities were essential, which were a bonus, and who could provide them.

Mr. Hostick said that the plan promoted compact urban development and efficient transportation options. No expansion of the UGB was required for commercial employment or multi-family housing; those would be accommodated through more efficient use of the current land supply. He said that redevelopment would require public investment.

Mr. Gillespie asked if the plan would be selectively implemented. Mr. Hostick said that the plan was based on a snapshot of conditions at the time it was developed, but the world was constantly changing. The seventh pillar was flexible implementation, which provided nimbleness in responding to emerging issues and trends that were not anticipated when the plan was created.

Senior Project Manager John Evans suggested that LTD could team with the City on long-term planning for stations to catalyze growth. Mr. Hostick agreed that a more integrative approach in partnership with LTD that included community residents to determine the desired level of transit service would be very useful.

Mr. Hostick said that options for residential expansion would be presented to the City Council on December 10, with a decision or direction to staff expected in late January 2015. He said that the City was developing a community design handbook that drew from best practices around the nation and world for creating a vibrant community. He said the booklet was not regulatory; it was an illustrative guide that showed pictures and concepts. There would be a section that addressed transit corridors. He said that the City Council had directed staff to research the subject of how much right-of-way was required to meet community needs, and a pilot project was underway on South Willamette Street. It did not specifically address transit lanes but would look at desirable streetside characteristics between the curb and front of the building.

#### **BUILDING A SHARED VISION FOR TRANSIT: COMMUNITY ENGAGEMENT**

##### **Results of Analysis on the Propensity of Transit in the Eugene-Springfield Region:**

Mr. Schwetz said that the firm of Nelson\Nygaard Consulting Associates had been engaged to assist with outreach and analysis of transit scenarios. The analysis would anticipate future demand by determining the transit dependency of a corridor, which considered demographics, and transit orientation of a corridor, which looked at density. He used a series of maps to illustrate the following factors along the corridors that were analyzed:

- Existing ridership
- Transit dependency index
- Transit orientation
- 2035 potential ridership
- 2013 boarding activity
- System coverage within one-quarter and one-half mile
- Population density
- Potential growth areas
- Employers with more than 100 employees
- Increased employment density
- Distribution of various population groups

In response to a question from Ms. Grossman, Mr. Schwetz said that the analysis used data from the City of Eugene.

Mr. Schwetz described a similar analysis by the City of Boulder, Colorado. He said that the study modeled the efficiency of transit through factors such as ridership productivity, travel time, cost effectiveness, and user experience. Additional modeling included a number of community factors such as economic, environmental, and public health.

Mr. Kilcoyne commented that Nelson\Nygaard had also suggested frequency and level of service along corridors.

Ms. Pierce said that when modeling different transit scenarios the boundaries of corridors should also reflect barriers such as train tracks, major roadways, etc. Mr. Schwetz said that an intern was modeling walk distances, factoring the presence of sidewalks, and true connectivity to bus stops.

**Community Engagement Model:** Mr. Schwetz said that LTD shared many similarities with the TriMet system. Both districts were funded by the payroll tax, were slowly recovering from service cuts during the recession, operated in a state with an aggressive policy around the integration of land use and transportation planning, operated in regions with a long history of robust public participation, and were working through controversial transit projects. He said in that context, TriMet's service enhancement planning process could provide a valuable model to consider. TriMet's model was based on the objective of "A Meaningful Public Engagement for Creating a Shared Vision for Making Transit Better."

Mr. Schwetz said that TriMet's overarching vision was to develop a system that enabled people in the region to travel from anywhere to anywhere using transit. He said that TriMet's approach was to be the face of the project, and consultants were not used to conduct community outreach. The strategy was to identify elements in the shared vision that could actually be implemented immediately as early improvements. That strategy demonstrated to the community that its desires were being implemented. Mr. Schwetz reviewed the process phases and timelines.

Mr. Schwetz said that several elements were used to frame the community conversation about how to make transit better:

- Better connections
- Completing the grid of service
- Early improvements
- Less waiting/faster trips
- Improved frequency on local service
- Transit priority treatments
- Safe places to walk/wait for transit
- Bridge the last mile
- Pedestrian way-finding

Mr. Schwetz said that LTD's process should begin with framing the conversation with a compelling vision that would engage people, such as "How can we make transit Better?" He said that LTD staff should be the face of the project, and there should be an effort to identify early improvements that could be implemented quickly. He said that there were a number of ongoing efforts, such as the Annual Route Review, that provided opportunities for community engagement, along with the broader staff and Board engagement in community processes.

Mr. Vobora liked the idea of engaging community partners in amenities around bus stops. He gave the example of City policies that did not require sidewalks to be built until development occurred, which made it difficult for riders using mobility devices to access some bus stops.

Mr. Wildish expressed concern that presenting a menu of choices during community engagement would not allow people to suggest their own ideas for improving transit. He felt that engaging the community was essential to the planning process, and people would bring up many interesting ideas.

Mr. Schwetz said that the TriMet approach broke the district into five areas; residents in each area were engaged in determining what they wanted from transit. Those area visions were then combined into a shared vision instead of asking everyone in the district to embrace a single concept at the beginning of the process.

Ms. Pierce supported the idea of working with areas within the District to identify needs, and then build a shared vision.

**Overview of Current Assumptions in the Long-Range Financial Plan:** Mr. Lipkin distributed copies of the Fiscal Year 2015-24 Long-Range Financial Plan (LRFP) that was approved by the Board on April 16, 2014. He said that one of the assumptions in the Plan was an increase in fare revenue of 5 percent per year, irrespective of possible service changes, which was consistent with historic trends. The payroll tax base assumed a 5 percent per year increase; an increase in the payroll tax rate, if authorized by the Board, was not assumed until 2017. He said that the Plan also assumed an annual personnel growth of 3.6 percent. He said that the Plan also included planned service increases such as expansion of EmX and service to the Veterans Administration facility and state hospital.

Mr. Lipkin said that being well below budget for both fuel and transfers from the General Fund for accessible services, coupled with a successful legislative session with respect to transit funding, could significantly impact what the District would be able to do. He said that it might be difficult to include any additional funding from the state in the next budget as final legislative action would probably not occur until late May or early June.

Mr. Gillespie commented that positive financial signs for the District include good prospects for legislation related to transit funding. These prospects include a schedule to pay off the pension program unfunded liability in 12 to 14 years and the Amalgamated Transit Union's (ATU) agreement to changes in pension fund contributions that would control the rate of increase. Director of Administrative Services Mary Adams added that the agreement with ATU would make personnel costs more predictable in the future.

**Framing the Community Conversation:** Mr. Vobora distributed a document titled *Summary of Community Engagement: January 2014 - October 2014* that illustrated the extent to which LTD was involved in community activities. He asked if those represented the best opportunities and best use of the staff's and Board's time for engaging in a community conversation. He also distributed a draft document from consultants Bell+Funk that summarized the LTD story. He said that the document would be refined so that it could be used to present a consistent, overarching message when interacting with the public. He said that the goal was to listen to what the community wanted and to modify LTD's plans and programs based on that feedback. LTD already was responding incrementally to some of the feedback.

Mr. Vobora asked the Board for input on the three aspects of community engagement: 1) development of the message; 2) actual engagement process; and 3) response to findings.

Mr. Vobora said that testimonials from those who had benefited from LTD's services, including businesses located along corridors, would be an important part of the message. He asked for suggestions of key points to include in the LTD story about the value of its services, as well as training and materials that would be helpful in delivering that message to the community.

Ms. Grossman said that the message should emphasize that transportation was fundamental and integral to growth. Growth will happen; the question is how it would happen. The tone of the message should underscore that transit belongs to everyone, not just LTD.

Ms. Pierce said that a friendly-sounding brand should be created to avoid condescension in the conversation. It should not sound like LTD was so magnanimous. Stating that LTD provided people with the independence to achieve their goals sounds arrogant.

Mr. Wildish urged using facts, such as a comparison of the estimated ridership of the Franklin and Gateway EmX corridors before construction and the actual ridership when completed. Many people might be surprised. LTD's efficiency report also includes valuable information for the public.

Mr. Gillespie suggested using stories from customers with two themes: 1) how LTD services had benefited them; and 2) a thank you to employers who paid the payroll tax and other funding sources that supported transit. Encourage transit users to give testimonials to elected officials and community groups. Video and graphic presentations helped put community faces on the message.

Mr. Yeh said that the message should demonstrate the economic benefits derived from payroll taxes and lifestyle improvements.

Mr. Dubick said that the message should identify ways that having a transit system like LTD had made a better community.

Mr. Arnold asked how testimonials from riders thanking those who helped fund the transit system could be crafted. He added that he was not certain that riders were aware of how transit was funded.

Mr. Yeh expressed agreement that most of the community did not seem to understand how LTD is funded. Mr. Yeh suggested that explanations might be provided in LTD literature or on the side of businesses, such as "This service brought to you by ....." He added that it was not just riders; businesses also did not have a clear picture of transit funding.

Mr. Vobora said that some initial questions related to a payroll tax increase should be address, such as whether or not January 2017 would be an acceptable date.

Mr. Yeh said that he was uncomfortable with a budget that planned on a regular increase to the payroll tax and wondered if it might prove useful to identify some specific uses for the additional revenue. This could help the Board gain community support for an increase. Just saying that LTD needed regular increases to maintain services was not a persuasive reason.

Mr. Vobora said that the increase would maintain the current level of services and would achieve modest future service increases, such as service to the new VA clinic and state hospital and a major investment in West Eugene EmX service coming online in 2017. He said that, fundamentally, it would maintain what was currently offered, but with some enhancements.

Mr. Lipkin commented that the LRFPA assumed the economy would continue to grow gradually. If another recession occurred, that picture would change significantly. He said that if Plan assumptions held and funding from the state for disabled and elderly transit was sustained, it was possible that some or all of the payroll tax increase could be used for new service.

Mr. Yeh explained his concern by using the example of school bond issues, which identified specific uses for the revenues raised. He felt that it would be more advantageous to be able to identify some service enhancements that could be realized with the increased payroll tax, rather than just needing it to maintain current service.

Ms. Pierce expressed concern with the timing of West Eugene EmX implementation and the payroll tax increase in 2017. She said that public perception would link those two as they were the most visible activities. There was not enough information available to the public to allow for an adequate understanding of the District's finances and operations.

Mr. Lipkin asked if the message would be more acceptable if it identified specific service additions that would occur following a payroll tax increase effective in 2016.

Mr. Dubick said that he liked the idea of creating a disconnect between a payroll tax increase and implementation of West Eugene EmX by increasing service at an earlier point.

Mr. Kilcoyne commented that if the state did provide an increase in elderly and disabled services funding during the 2015 Legislative Session, that could result in service additions during the 2016 winter bid and support expanded service as the result of a January 2016 payroll tax increase.

Mr. Gillespie said that he favored an earlier implementation of a payroll tax increase and that he liked Mr. Yeh's suggestion to describe a tangible benefit. He did not want to threaten the community with a decrease in service if the payroll tax increase was not implemented. He felt that increasing the payroll tax before West Eugene EmX came online, and connecting it to enhanced service, would gain community support and be more acceptable to businesses. It was important to eliminate any connection between the payroll tax increase and EmX operations.

Ms. Grossman said that LTD needed to broaden its base of supporters, particularly among businesses subject to the payroll tax. She said that the District needs to listen better, create better relationships, and have more friends in its court. She did not think LTD was in a strong enough position to increase the payroll tax in 2016. She suggested using an organization like BEST (Better Eugene-Springfield Transit) to assess when the climate was right for a payroll tax increase.

Ms. Pierce suggested conducting surveys after presentations at business organizations and events, such as City Club and Business After Hours, to see how participants reacted to the presentations and to determine if more information was required. This could help identify how effective the presentations had been.

In response to a question from Mr. Arnold, Mr. Lipkin said that in order to move forward with a January 2016 payroll tax increase, materials would need to be submitted to the Oregon Department of Revenue in September 2015.

Mr. Arnold asked at what point during a community engagement campaign that the Board would feel comfortable moving forward with an increase and what level of community support was necessary.

Mr. Gillespie said that a timeline for decision-making and implementation was the issue. Could the Board make a decision earlier, but delay implementation until 2017, and spend the intervening time convincing the community of the need for an increase?

Mr. Yeh hoped that the Board could find a more sustainable funding model, and would not have to continue facing the issue of raising the payroll tax. Mr. Vobora clarified that once the payroll tax was increased to .008, it was capped; and the legislature had dictated a 10-year phase-in process. No increases beyond that rate were authorized; therefore, the Board would only need to take one action to implement the increase.

Mr. Lipkin said that if the Board determined there had been sufficient economic recovery to warrant a payroll tax increase, it could also recognize that there still were some economic challenges in the community, pass the ordinance in the summer of 2015, but defer implementation of the increase until January 2017. That would eliminate the need to revisit the issue each budget cycle.

Mr. Vobora asked for feedback on earlier action on an ordinance with deferred implementation.

Mr. Kilcoyne said that the study had determined there was sufficient economic recovery, and there had been more positive news since it was completed. He was concerned that if a decision was delayed too long, circumstances could change and it would not be possible to move forward, whether or not implementation was postponed.

Mr. Wildish stressed that LTD needed to listen to the community and would know it was appropriate to act when feedback was consistent on an issue.

Ms. Grossman said that the DLOTS conversations could help form a well-crafted message to the community about the need for a payroll tax, but she was not certain there was enough time to accomplish that by next summer.

Mr. Vobora said that those were two separate issues for staff. The creation of a broad community vision for transit far exceeded what could be accomplished with a payroll tax increase. He said that the payroll tax would sustain the District with some room for improvement; the DLOTS conversation could help lay the groundwork for more sustainable funding. The issues were connected, but the timing of those conversations would be challenging. He asked for pros and cons of conducting an outreach and engagement process specifically around the payroll tax in order to approve an ordinance in the summer of 2015.

Ms. Grossman said that people currently had a positive attitude about the economy.

Mr. Gillespie observed that recent passage of the marijuana initiative would open up taxing opportunities for the state and local jurisdictions and lead to positive financial outcomes.

Mr. Wildish said that the case could be made at this point that the economy was even better now than when the report was issued, but his concern was the condition of the economy in 12 months and how that could impact a delayed decision.

Mr. Dubick said that when school bond measures were proposed, the needs were identified, the measure was placed on the ballot, and then a campaign for passage was conducted. He said that LTD had needs that could be identified, such as additional services that could be provided if funding was available. He stated his support for passing an ordinance and then spending the time until implementation explaining the benefits that would be derived from the tax increase. He felt that given sufficient time, LTD could sell the need for the increase.

Mr. Yeh supported a tax increase, but was concerned with making a decision before a public engagement process. It would seem that the Board was just trying to justify its decision and had not considered constituent input.

Mr. Wildish said that it would be a challenge for staff and the Board to building political capital quickly.

In response to a question from Mr. Arnold, Board members indicated a strong desire to be actively involved in the community engagement process.

Ms. Grossman said that peer-to-peer discussions in the community by Board members should be a major part of the engagement process.

Mr. Gillespie remarked that the 2016 election would be very difficult, with many revenue measures on the ballot.

Mr. Vobora asked if Board members preferred to delay action on an ordinance until 2016, with a 2017 implementation, in order to provide additional time for community engagement.

Ms. Grossman said that it felt more ethical to act later rather than acting sooner and then trying to convince the community that it was a good decision. She stated that she did support a payroll tax increase but did not want to jeopardize strategies to build good community relationships. She added that she did not want to push implementation of the increase beyond 2017, but felt strongly that LTD needed a solid outreach effort to build relationships and political capital.

Ms. Pierce commented that the Main Street-McVay Highway studies were nearing completion, and she was hearing about active opposition to the project already. She said that starting a large Springfield project shortly after the payroll tax was increased, and West Eugene EmX was operational, could further complicate the picture.

Mr. Arnold asked for Board response to a six-month engagement process, with a status assessment in June 2015 followed by a decision whether or not to act on an ordinance.

Mr. Kilcoyne pointed out that an aggressive timeline with a June 2015 decision point was only necessary if implementation of a tax increase was planned for January 2016. Deferring implementation until January 2017 would provide greater flexibility, and a decision could be delayed until the fall of 2015.

Mr. Yeh stated his preference for implementation of the tax increase in January 2016.



Mr. Lipkin explained that budget decisions would be made in May 2015 for the coming fiscal year. He was concerned that the Board might feel it had changed its budget message to the community if a decision to increase the payroll tax was made after that point. He said that would be a moot point if the community engagement message spoke to a January 2016 implementation date.

In response to a question from Mr. Gillespie, Mr. Lipkin said that the LRFP could include scenarios for implementation of a payroll tax increase at different times. After the study had concluded there was economic recovery, the Board had chosen January 2017 as the implementation date for purposes of developing the LRFP. He said that if the Board agreed that a payroll tax increase was necessary, it, in essence, had already made a decision; so the question of timing remained. He asked if the Board still supported an increase and just needed to determine the timing and what the additional revenue would provide, or if there were doubts about whether to proceed with an increase.

Mr. Yeh said that he recognized and better understood the need for a tax increase; but in order to be a credible member of the Board, he felt that it was necessary to enter community conversations that were prepared with consideration for the possibility that the desired level of transit was lower than anticipated and cuts would be necessary if the increase was not acceptable to the public.

Mr. Wildish recognized that staff time was already fully occupied, and he asked if it was possible to obtain outside assistance in conducting community engagement and listening activities in conjunction with the Board and compiling the results. Mr. Vobora replied that if the Board was interested in that approach staff could provide some options to consider. Although staff was prepared to develop a full plan to begin outreach in January 2015, the question was timing and duration of the activities.

Ms. Grossman expressed support for the idea of a six-month listening and relationship-building period to gather information as suggested by Mr. Arnold.

Mr. Arnold said that listening and relationship building were best done in one-on-one conversations held by LTD Board members and staff, rather than a third party hired to engage the community. He said that outside assistance could help with organizing and compiling information, but the faces in community engagement should be the LTD Board and staff. That would also help dispel any perceptions of arrogance.

Mr. Wildish said that he favored pursuing a major community engagement initiative immediately.

Mr. Vobora asked if the Board wanted to primarily listen to what the community had to say or take a more proactive approach by helping to present the LTD story and vision. He asked what tools the Board would need to begin the community engagement process effectively.

Mr. Kilcoyne commented that when some listening sessions occurred last year around the issue of a payroll tax increase, there were many questions about LTD's vision for transit. He agreed that it was important to build relationships and get to know people, but the community also wanted information; and it gave a negative impression if the Board and staff were not prepared to answer questions about LTD's vision and value to the community.

Mr. Wildish agreed that LTD representatives should be prepared to respond to questions.

Ms. Grossman said she would be comfortable beginning the discussion with some basic information to help initiate a conversation as most people were focused on their own issues and probably did not give a lot of thought to transit.

Mr. Yeh agreed that while he would go to meetings with the intent to listen to what people had to say, there would be information provided that would focus the discussion.

Mr. Lipkin asked if the LRFP assumption on the payroll tax should remain implementation in January 2017 or reconsidered at mid-point in the six-month community engagement process.

Mr. Vobora and Mr. Kilcoyne said that attitudes in the business community about a payroll tax increase seemed to be about evenly split between support and opposition. They were not certain that would change much over time.

Mr. Arnold asked that if the Board took action and the tax was implemented in January 2016, it would be possible to calculate, prior to that implementation, what potential service additions might result. Mr. Lipkin said that those assumptions could be developed in late January/early February 2015, once the January payroll tax receipts were available.

Mr. Arnold said that might enable Board members to make follow-up calls in February and March to share information about the feedback that had been received and what the additional tax revenue could provide to the community.

Director of Transit Operations and Customer Satisfaction Mark Johnson said that the primary question that had come from earlier listening sessions was "What will the payroll tax increase buy?" LTD had to be able to answer that--particularly with respect to EmX.

Ms. Grossman said that she hoped that the conversation presented the big picture of LTD's services and that EmX isn't a separate entity; but rather, it is part of a system that people use to travel around the community.

Mr. Gillespie supported having information to provide during community conversations. He said that people could be asked what service they would like to see expanded or modified and then told that once some initial data on revenue was available, those options could be examined. He said that an often expressed concern seemed to be connections within the system and with other modes of transportation.

Mr. Vobora cautioned against promising specific service changes; it would be better to identify priorities of riders and the community, then determine how best to implement those across the system.

Ms. Grossman concurred that the conversations should discuss service in more general terms connected to the community's vision for the future and avoid discussions of specific route changes.

Ms. Pierce remarked that every detail discussed and decision made should be weighed against negative public perception.

Mr. Vobora said that Board members were active in well-connected groups within the community, and those were important conversations to have when there appeared to be a lack of support for LTD. Concerned about negative feedback from those discussions last year, which was contrary

to the feedback staff was experiencing at a variety of public events, staff conducted a community-wide survey in June 2014. The results were overwhelmingly positive, confirmed that the general public supported transit and appreciated its value. He added that, unfortunately, the funding source on which the District was dependent created tension with the business community, and it would be helpful to have the Board focus on building those relationships.

Mr. Vobora said that staff would develop information, strategies, and tools for articulating the shared vision for transit in the community and for starting conversations and exploring topics such as sustainable funding, partnerships, etc.

Ms. Grossman said that the conversation did not need to make new promises; rather, it could tell the current story about transit's benefit and value to the community.

Regarding public perception of the Main Street-McVay project, Ms. Pierce said that because Springfield was a unique area with a different population, she cautioned staff to be conscious of the process moving forward. She had received some feedback from residents who presented a very negative opinion of LTD passengers and felt they were detrimental to the community.

Mr. Wildish said that there also seemed to be some perception of secrecy surrounding Main Street-McVay activities. He had assured people that there was no project at this time but that a study was being conducted to determine if any type of project was feasible.

Mr. Vobora replied that the City of Springfield was taking the lead on public outreach, with LTD as a partner. He agreed that the lessons learned during the West Eugene EmX process identified very early outreach as the key to deterring negative perceptions and opposition, but LTD was not in control of the Main Street-McVay process.


Mr. Schwetz remarked that some people had broadcast misinformation about the EmX project to businesses along the West Eugene corridor, and it had been difficult to overcome the negative attitudes that developed. As a result, there was the potential for that to occur in Springfield and LTD had to determine how that could be prevented.

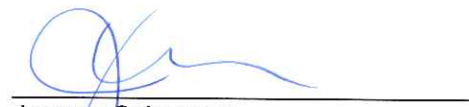
Ms. Grossman underscored the need to build good relationships and have friends in the business community who would support the District.

**ADJOURNMENT:** Mr. Wildish thanked everyone for their participation and adjourned the meeting at 3:45 p.m.

LANE TRANSIT DISTRICT:

ATTEST:

  
\_\_\_\_\_  
Julie Grossman  
Board Secretary

  
\_\_\_\_\_  
Jeanne Schapper  
Clerk of the Board

Approved: January 21, 2015