

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING

Wednesday, May 12, 2014

Pursuant to notice given to *The Register-Guard* for publication on May 8, 2014, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special board meeting on Monday, May 12, 2014, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Doris Towery, President
Ed Necker, Treasurer
Julie Grossman
Gary Wildish
Carl Yeh
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Michael Dubick, Secretary
Gary Gillespie, Vice President

CALL TO ORDER/ROLL CALL: Ms. Towery convened the meeting of the Lane Transit District (LTD) Board at 5:37 p.m. and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT: None.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne reminded Board members to return their committee preference surveys to staff, and there would be election of officers at the June regular Board meeting.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: None.

BOARD CALENDARS: Mr. Kilcoyne reviewed activities planned for the months of May, June, and July 2014.

EMPLOYEE OF THE MONTH - JUNE 2014: The Board recognized Bus Operator Brian Penn as the June 2014 Employee of the Month.

Ms. Towery thanked Mr. Penn for his service and dedication to LTD's mission. She presented him with a certificate of appreciation, check, and pin commemorating his award. Mr. Penn thanked the Board for his award. He said that he enjoyed his job with LTD and expressed appreciation for his co-workers and customers.

AUDIENCE PARTICIPATION: Ms. Towery explained the procedures for providing public testimony.

Tom Schneider, Eugene, said that there were many people in the community who appreciate LTD's efforts to create social equity and healthy communities. He thanked Board members for their service and participation in community affairs. He said that injuries suffered in a bicycle accident six years ago prevented him from driving, and he used LTD's system extensively. He said that he appreciates the EmX expansion in West Eugene, which would promote business development and walking in the neighborhood. He hoped to see more timed walking signs like the timed bicycling signs, particularly at the new bus stations. It would encourage more people to walk. He said that walking was the most basic form of transportation, and most people who rode the bus got to the station on foot.

ITEMS FOR ACTION AT THIS MEETING:

MOTION Consent Calendar: Mr. Yeh moved adoption of LTD Resolution No. 2014-013: It is hereby resolved that the Consent Calendar for May 12, 2014, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the Minutes of the March 14, 2014, Board Strategic Planning Work Session; Minutes of the April 7, 2014, Special Board Meeting/Public Hearing; and Minutes of the April 16, 2014, Regular Board Meeting.

VOTE The motion was approved as follows:
AYES: Grossman, Necker, Towery, Yeh, Wildish (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Dubick, Gillespie (2)

Fiscal Year 2014-2015 Pricing Plan, and Second Reading and Adoption, Fare Ordinance No. 49, An Ordinance Setting Fares for Use of District Services: Mr. Kilcoyne stated that the proposed pricing changes had been presented and discussed at the previous meeting. The proposed changes were to the monthly pass and group pass rates.

MOTION Mr. Necker moved that Ordinance No. 49 be read by title only. Ms. Grossman provided the second.

VOTE The motion was approved as follows:
AYES: Grossman, Necker, Towery, Yeh, Wildish (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Dubick, Gillespie (2)

Ms. Towery read the ordinance title: ***Ordinance No. 49, an Ordinance Setting Fares for Use of District Services.***

MOTION Mr. Necker moved the following resolution: Resolution No. 2014-014: Be it resolved that the LTD Board of Directors hereby adopts Lane Transit District Ordinance No. 49, An Ordinance Setting Fares for Use of District Services. Ms. Grossman provided the second.

TE The motion was approved as follows:
AYES: Grossman, Necker, Towery, Yeh, Wildish (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Dubick, Gillespie (2)

MOTION **LTD Contract Review Board: Purchasing Policy Rules Update:** Mr. Wildish moved that the LTD Board of Directors convene as the LTD Contract Review Board. Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Grossman, Necker, Towery, Yeh, Wildish (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Dubick, Gillespie (2)

Purchasing Manager Jeanette Bailor said that the Purchasing Policy update included minor changes such as removing references to positions that no longer existed and incorporating current requirements of the Federal Transit Administration (FTA). She said that it also included a legislative change that allowed LTD to incorporate a 10 percent preference for locally fabricated or processed goods from businesses with home offices in Oregon. The preference did not apply if federal funds were used. She said that another change added a policy section No. 46 related to sustainable purchasing, such as life cycle costing, packaging and transportation costs, disposal and salvage costs, and operating costs.

Ms. Grossman asked if there was a qualitative measure for factors like life cycle costing. Ms. Bailor replied that when staff were developing a bid document, qualitative and quantitative measures were included for various factors to be considered during bid reviews.

Mr. Wildish asked if LTD's sustainability policy included the definition of "sustainability." Ms. Bailor said that LTD's Environmental and Sustainability Management System (ESMS) Core Team was working to develop sustainability practices throughout the District, and the inclusion of Section No. 46 in the Purchasing Policy was one example. She said that the team had overlying definitions of various terms.

Mr. Kilcoyne said that the Board had adopted an official sustainability policy in 2007, and updates and revised definitions were incorporated into that policy in 2013 to reflect the new system.

Ms. Bailor introduced Mary Talentinow, who would become the new purchasing manager upon Ms. Bailor's retirement at the end of May.

MOTION Mr. Yeh moved that the LTD Board of Directors, acting as the LTD Contract Review Board, hereby adopts LTD Resolution No. 2014-015, A Resolution Adopting the Lane Transit District's Purchasing Policy and Rules, as revised on May 12, 2014. Mr. Wildish provided the second.

VOTE The resolution was adopted as follows:
AYES: Grossman, Necker, Towery, Yeh, Wildish (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Dubick, Gillespie (2)

Ms. Towery adjourned the LTD Contract Review Board and reconvened the LTD Board meeting.

ITEMS FOR INFORMATION AT THIS MEETING:

Board Member Reports: Mr. Kilcoyne reported that LTD's applications for *ConnectOregon V* funds had been forwarded to the SuperACT (Area Commission on Transportation), which was composed of the four ACTs in the region. He said that LTD's bridge project in West Eugene was

ranked second. He said that the region was guaranteed \$4.2 million in *ConnectOregon V* funds and that assured funding for the project. He said that the McVay EmX station project was ranked fifth and might possibly receive discretionary funds.

EmX Steering Committee Engagement: Planning and Development Manager Tom Schwetz said that the Committee was formed in 1998 with a mission to study the details of bus rapid transit (BRT). Since that time, two EmX corridors had begun operations, with a third under development and others being studied. He said that the Committee meetings now consist primarily of information updates, and members want to know how they can become more involved. Staff had considered ways to engage the Committee in higher strategic issues that related to EmX and build-out of the system and ways to use community leaders to help LTD's outreach efforts. He asked the Board to consider two questions that would help staff determine how best to survey the Committee members:

1. Is there a role or roles for an EmX Steering Committee at this time? If so, what roles would Board members describe for the Committee?
2. Assuming there are roles for the Steering Committee to play (or continue to play), how might we more fully engage the community leaders we have on the Committee?

Ms. Towery said that she was participating in Springfield's Main Street envisioning process, which included a stakeholder group, and saw a role for the EmX Steering Committee in advising the Board on matters related to that process and a potential EmX corridor. Senior Project Manager John Evans said that the tight timeframe for that envisioning process had precluded a formal role for the Steering Committee because it only met quarterly, although the Committee would receive updates, and its feedback would be provided to the Main Street Governance Team and the LTD Board.

Mr. Yeh said that he was a current EmX Steering Committee member and saw a future role for the Committee if its charge was updated to include perfection of the EmX experience and looking further into the future of the system.

Ms. Grossman said that there seemed to be a lack of understanding in the community about the vision for BRT and what it could become. EmX corridor projects appeared to be viewed in isolation as "the bus to nowhere" rather than as part of an integrated system serving the area's communities. She said that the Steering Committee could help spread the message of the ultimate vision for BRT in the region.

Mr. Schwetz agreed with Ms. Grossman. He said that the staff had discussed engaging Steering Committee members to the extent that they represented various communities and interests in the region in conversations about how EmX could facilitate the entities' broader visions.

Mr. Wildish commented that the Steering Committee was a good potential resource for helping people understand how EmX had achieved its goals. He said that the community needed to understand how EmX had surpassed performance expectations and the Steering Committee members could be good advocates for disseminating that message.

Ms. Towery said that the Steering Committee also should be asked who LTD should be speaking to in the coming community conversations about what people wanted and valued in the transit system.

Ms. Grossman suggested a discussion about incentivizing patronage of businesses along the corridor during construction and other innovative ways for LTD to be a good partner and mitigate construction impacts.

Economic Analysis: Government Relations Manager Edward McGlone stated that in November 2013, LTD commissioned a study by ECONorthwest regarding economic recovery in the region. He said that the study was necessary in order to consider a payroll tax increase as authorized by the legislature. The study included both the criteria required by statute and other discretionary criteria requested by the Board that would provide a more comprehensive picture of the community's economic status. He introduced Senior ECONorthwest Economist Andrew Dyke who would present a summary of the report titled *Recent Economic Performance of the Eugene-Springfield MSA*.

Dr. Dyke stated that the purpose of the report was to support the Board's decision making process. The report provided information about current economic conditions but did not make a determination of economic recovery or forecast future economic conditions. He said that data was analyzed related to the following economic indicators:

- Total employment
- Employment in selected industries
- Unemployment rate and size of the labor force
- Personal income by place of residence and by place of work
- Selected components of personal income
- Residential and commercial construction permits
- Number of business establishments

Dr. Dyke reviewed the sources of data analyzed in the study and noted that county level data was only available through 2012 and did not reflect recent acceleration in employment. He said that information on industrial and commercial construction permits was only available from the City of Eugene, not the entire region. The methodology reviewed indicators' current levels, as well as growth rates and trends compared to long-term trends in each indicator.

Dr. Dyke reviewed the summary and detailed findings for the economic indicators as set forth in the report, using line charts to illustrate growth and trends from 1991 to 2013 in each category. He invited questions and comments from the Board.

Mr. Yeh asked if data was available on corporate income. Dr. Dyke said that information was not available, particularly at the local level; but he felt that the data in the report was a good proxy for the small business sector.

In response to a question from Mr. Wildish, Dr. Dyke explained that *income by place of residence* took all of the residents in the area and totaled income from all sources, while *place of work earnings* only considered income derived from sources within the area. He said that the first measure reflected earnings power coming into the area.

Mr. Wildish asked if there was a correlation between the wage and salary growth rate and the employers' bottom line. Dr. Dyke said that there was a relationship as business conditions affected the extent to which an employer could hire additional workers or give raises. He said the chart of proprietors' income provided a picture of how well local smaller businesses were doing.

Mr. Wildish asked if proprietors' income represented gross sales. Dr. Dyke said that it was the business income owners reported, not gross sales. It was closer to profit than gross sales but not identical.

Ms. Grossman asked if there were any aberrations in local data compared to the same indicators at the state and national levels. Dr. Dyke replied that local trends were fairly consistent with those

at the state and national levels; things were improving, but not quickly. There had been some acceleration during the past several months, with the exception of a declining labor force. He noted that there was a data lag.


In response to a question from Mr. Wildish, Dr. Dyke said that the impact of federal stimulus packages in 2008-09 was buried in the data and likely reflected in some of the spikes in 2010-11. He did not see that as a major driver in recent trends.

Monthly Financial Report - April 2014: Finance Manager Todd Lipkin reported that fuel costs, at an average for the year of \$3.11/gallon, were still below the \$3.75 budgeted; and payroll taxes had increased 8 percent over the previous year. He expected that the year would end under budget, and a supplemental Medicaid budget would be presented to the Board in June to reflect the additional revenue necessary to fund the increased demand for services.

Mr. Lipkin noted that there would be a Budget Committee meeting on May 21, and the assumptions used to develop the proposed budget were reviewed in detail at the strategic work session in March 2014.


ADJOURNMENT: There was no further business, and Ms. Towery adjourned the meeting at 7:00 p.m.

LANE TRANSIT DISTRICT



Michael Dubick
Board Secretary

ATTEST:



Jeanne Schapper
Clerk of the Board

Approved: June 18, 2014