

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, June 20, 2012

Pursuant to notice given to *The Register-Guard* for publication on June 14, 2012, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, June 20, 2012, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Doris Towery
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Greg Evans, Vice President
Gary Gillespie

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll at 5:35 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster noted that this would be his last meeting as president of the LTD Board, and he said that it had been an honor and privilege to serve in that capacity.

Mr. Necker, on behalf of the Board, thanked Mr. Eyster for his service and leadership.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne thanked Mr. Eyster for helping to make his first year as general manager a smooth transition. Mr. Kilcoyne announced a department reorganization that merges the Community Relations Department (Accessible Services, Service Planning, and Marketing) and the Planning and Development Department into a single department. The new department will focus on planning, marketing, and consolidating all of the activities related to EmX, as well as bringing in new customers. The department has not yet been named.

Mr. Kilcoyne said that a tentative labor agreement had been reached, and the Amalgamated Transit Union (ATU) would vote on it on June 29, 2012. He anticipated holding a special Board meeting on July 2 to ratify the agreement.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Mr. Eyster announced that the Government Finance Officers Association of the United States and Canada had awarded a Certificate of Achievement in Financial Reporting to LTD for its Comprehensive Annual Financial Report. He said that the Certificate of Achievement is the highest form of recognition in the area of government accounting and financial reporting, and the award was presented to Chief Accountant/Internal Auditor Carol James.

WORK SESSION

Joint Work Session with Centro Latino Americano Board of Directors: Mr. Eyster welcomed the following representatives of Centro Latino Board: Board President Shonna Butler, Board Secretary Amy Bray, Board Member Juan Carlos Valle, and Executive Director Marcela Mendoza. Members of both boards introduced themselves.

Mr. Eyster said that the role of LTD is to provide service, and it is often difficult to decide how best to use available resources while honoring the transit dependent.

Ms. Butler agreed that it is challenging to prioritize services when all the services are needed. She said that Centro Latino struggled with the same issues and, as funding had become scarcer, they had decided to become more sustainable instead of relying on public funding to entirely support the organization. She said that their goal is to become completely self-reliant; and to help with that, they had begun offering translator and interpreter services for a fee.

Dr. Mendoza explained how the interpreter and translation services operated. She said that it provides a timely and necessary service, as well as generates revenue to support Centro Latino's other programs. She said that the program is called Lane County in Spanish, and the program has its own website. She said that the program has been in operation for one year; and currently, revenue represents less than 5 percent of Centro Latino's operating budget. She expects that percentage to increase, but stressed that it would be very difficult to entirely fund human and social services from such enterprises. She said that other revenue generating programs consistent with Centro Latino's mission also are being developed.

Mr. Valle said that Centro Latino, like LTD, is exploring ways to become more efficient and effective as an organization in order to serve more people. A report on Centro Latino's website documents the services that are provided and the impact on the community. He said that Spanish in Lane County is one aspect of sustainability. Client fees also are a part of the revenue stream, and this reflects clients' desires to invest in themselves. Centro Latino and LTD share a responsibility to provide services to those who need it, and the two organizations share many of the same clients.

Mr. Eyster asked if there were ways that LTD and Centro Latino could collaborate more effectively to provide service. Dr. Mendoza stated that transit is critical to the elderly, disabled, and working poor; and those are the areas where the two interests intersect.

Ms. Towery said that one of LTD's core roles is connecting people to the community so that they can remain connected and able to access services, which improves quality of life.

Mr. Necker emphasized that a large part of LTD's mission is to provide service to the elderly, disabled, and working poor. Dr. Mendoza agreed. She pointed out that many of Centro Latino's clients rely on transit to connect them to their jobs, and many of those jobs are not the standard "9-to-5" jobs.

Mr. Eyster said that it is a challenge for LTD to maintain weekend and evening services in the face of reduced funding for transit, and districts across the country are experiencing the same dilemma. He said that the District is constantly exploring ways to be more efficient and reduce the impact on riders who are transit dependent. He commended Centro Latino's vision of sustainability and

decreasing reliance on public funding. He said that LTD recognizes that it also needs to find other sources of revenue in order to sustain services.

Mr. Valle invited the LTD Board to attend an event on October 12, 2012, celebrating Centro Latino's 40th year of service to the community. He said that the recession increased the demand for services that Centro Latino and many other organizations provided. He encouraged LTD to become acquainted with those agencies and explore ways that partnerships could enhance service throughout the community.

BOARD CALENDARS: Mr. Kilcoyne announced that there would be no Board meetings in July and August, with the possible exception of a special meeting on July 2 to ratify the labor agreement. He invited Board members to attend the Bus Rodeo on Sunday, July 22, the ATU/LTD Picnic on Sunday, August 12, and a District barbecue on Thursday, August 30.

Safety and Security Program: Director of Transit Operations Mark Johnson stated that the Security Program's annual budget is approximately \$500,000. He then introduced Security Manager Rick Bailor to share details of the program.

Mr. Bailor explained that the budget included funding for 8.3 full-time security officers, an administrative assistant, and one-third of the salary of a Eugene police officer. He said that officers are assigned to safeguard platforms and perform EmX fare inspections. Mr. Bailor said that Ordinance 36, the ordinance governing use of District facilities, enacted in 1993, is enforced by the officers and is working well.

Mr. Johnson said that the ordinance authorized fines, but the District preferred to use an exclusion action. He said that the District is in the business of customer service, and the first step is to educate riders regarding the rules and appropriate behaviors; exclusions are only used for repeat offenders. There is a citation appeal process, but only one appeal has been filed because the process works well.

Mr. Bailor said that exclusion reviews are scheduled 30 days after a citation because the District's goal is to return riders to the bus while ensuring the safety of all passengers. He said that 70 percent of riders returned to riding the bus after an exclusion hearing. Mr. Johnson added that the biggest challenge is dealing with those who had mental health issues that may make them a danger to other passengers.

In response to a question from Mr. Necker, Mr. Bailor said that there are a small number of riders with permanent exclusions, but even those have an opportunity to be reinstated if they demonstrate responsible behavior.

Mr. Johnson said that security measures include access controls at facilities, and video surveillance on buses and at stations. He said that Mr. Bailor regularly meets with downtown business and property owners to discuss security issues in downtown Eugene because they all know that safety is a team effort.

Mr. Bailor said that the Transportation Security Administration (TSA) conducts annual assessments of the District's security program. He said that the initial TSA assessment established a baseline for the security program; subsequent assessments identified areas recommended for improvement. He said that the District had consistently met TSA expectations.

Mr. Johnson said that the District also performs a Threat and Vulnerability Assessment every few years, and TSA conducts that assessment at no cost. An independent safety and security review is scheduled to be conducted in August this year.

Mr. Eyster asked how well fare enforcement was working. Mr. Bailor said that it is working well, with a finding that only 2.5 to 5 percent of riders are not paying the fare.

Mr. Kortge asked if the District worked with other organizations on disaster planning. Mr. Johnson replied that the District is part of the Lane County Emergency Management Coalition, and regularly participates in various disaster scenarios.

EMPLOYEE OF THE MONTH: The Board recognized Bus Operator Sherry Watson as the July 2012 Employee of the Month.

Mr. Eyster thanked Ms. Watson for her service and dedication to LTD's mission and presented a certificate of appreciation, check, and pin commemorating the award. Ms. Watson expressed her appreciation for being an employee of the District for many years and for the benefits offered to employees.

AUDIENCE PARTICIPATION: Mr. Eyster explained the procedures for providing public testimony.

Jason Lugo, 1420 Villard Street, Eugene, University of Oregon student and frequent bus rider, said that he is a member of the LiveMove initiative on campus. He commended LTD's services, particularly the EmX system, which he felt would promote economic growth in the region and improve the quality of life. He submitted a joint resolution from LiveMove and the Associated Students of the University of Oregon in support of the West Eugene EmX Extension as well as the entire EmX system.

Josef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, said that he had recently heard Jarrett Walker, a transit expert, speak about looking outside of the box. Mr. Walker had stated that he felt that the EmX plan is flawed and that he would have taken a different approach, but he would support it. Mr. Siekiel-Zdzienicki said that a report from Mr. Walker in December 2011 discussed closed and open rapid transit systems. EmX is a closed system, but Mr. Walker had suggested an open system on West 11th Avenue. Mr. Siekiel-Zdzienicki urged Board members to read the report. He asked the Board to consider whether there is sufficient ridership to justify EmX service on West 11th Avenue.

Mr. Kilcoyne said that he would resend copies of Jarrett Walker's report to Board members.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Kortge moved adoption of LTD Resolution No. 2012-013: It is hereby resolved that the Consent Calendar for June 20, 2012, is approved as presented. Mr. Dubick provided the second. The Consent Calendar consisted of the minutes of the May 14, 2012, Special Board Meeting/Public Hearing, the May 16, 2012, Regular Board Meeting, and approval of the Resolution No. 2012-014 Reaffirming LTD's District Boundaries.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Eyster, Kortge, Necker, Towery (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans, Gillespie (2)

Public Hearing and Approval of Supplemental Budget for Fiscal Year 2011-12: Finance Manager Todd Lipkin stated that the only item in the supplemental budget was a transfer to Accessible Services from the General Fund as discussed at the Budget Committee meeting.

Mr. Eyster opened the public hearing. Seeing no one wishing to speak, he closed the hearing.

MOTION Ms. Towery moved approval of LTD Resolution No. 2012-015, which amends the LTD Fiscal Year 2011-12 budget as represented in the resolution. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Kortge, Necker, Towery (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans, Gillespie (2)

Public Hearing and Adoption of Fiscal Year 2012-13 Budget: Director of Finance and Information Technology Diane Hellekson said assumptions for the 2012-13 Budget were framed by the Board and Budget Committee members in February 2012, and the Budget Committee met on May 16, 2012, to approve the budget. The budget before the Board this evening was exactly what the Committee had approved in May.

Mr. Eyster opened the public hearing. Seeing no one wishing to speak, he closed the hearing.

MOTION Mr. Dubick moved approval of LTD Resolution No. 2012-016, adopting the LTD Fiscal Year 2012-13 approved budget as presented and appropriating \$92,497,400 as represented in the resolution. Ms. Towery provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Kortge, Necker, Towery (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans, Gillespie (2)

General Manager Fiscal Year 2013 Goals and Objectives: Director of Human Resources and Risk Management Mary Adams said that the Board's Human Resources Committee was responsible for managing the General Manager's performance evaluation process, and one of the components was recommending annual goals and objectives for the Board's approval. She said that the document before the Board incorporated comments and feedback regarding the process from the Board's May executive session.

Mr. Kortge commended the goals and objectives, particularly Item No. 4, which is related to community outreach.

Mr. Eyster thanked the Committee for the detail included in the document.

MOTION Mr. Necker moved adoption of the following resolution: LTD Resolution No. 2012-017: It is hereby resolved that the LTD Board of Directors approves the LTD General Manager Fiscal Year 2013 Goals and Objectives. Mr. Kortge provided the second.

VOTE The resolution was adopted as follows:
AYES: Dubick, Eyster, Kortge, Necker, Towery (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans, Gillespie (2)

Appointment of New Members to EmX Steering Committee: Director of Planning and Development Tom Schwetz noted that an addendum with additional information regarding new EmX Steering Committee members had been distributed to the Board. He said that the Committee is composed of three LTD Board members, and one representative each from the Eugene City Council, the Springfield City Council, the Lane County Board of Commissioners, and the Oregon Department of Transportation. He said that there also are a number of at-large positions, and it was vacancies among these that are currently being filled.

Ms. Towery stressed that new members should be informed of the importance of attending meetings and voting on issues, and the need to be committed to those decisions. Mr. Schwetz responded that those issues would be discussed during the new member orientation.

MOTION Mr. Kortge moved approval of the following resolution: LTD Resolution No. 2012-018: It is hereby resolved that Denise Bean, Rick Satre, Joseph McKinney, and Dave Hauser are appointed to the LTD Board EmX Steering Committee. Mr. Necker provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Kortge, Necker, Towery (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans, Gillespie (2)

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Mr. Kortge reported that the pension trustees had voted to reduce the assumed interest rate on earnings from 7.5 to 7.25 percent, and there is no cost associated with that action. Ms. Hellekson added that the actuarial evaluation of the administrative plan had just been completed, and the trustees received the report. She said that the funded portion of the plan had increased from 68 to 69 percent. The ATU plan also would be evaluated; and the preliminary estimate was an increase from 51 to 56 percent of the funded portion.

Mr. Kortge said that an extremely useful chart had been developed to project various aspects of the plans. He said that the net cash flow of the administrative plan is projected to become negative in 2014. He said that a working group would be established to address the problem.

Mr. Eyster said that he is pleased that efforts are being made to achieve LTD's goal to develop a long-term, responsible approach to pension issues.

FY 2013-20 Capital Improvements Program (CIP) Administrative Amendments: Mr. Lipkin said that the amendments would align the CIP with the capital fund budget in the adopted FY 2012-13 Budget, and this was presented to the Board for information only.

Board Committee Assignments: Mr. Eyster said that the proposed committee assignments and special assignments had been distributed to Board members.

Mr. Kilcoyne said that Board members had been notified of assignments, and there were no objections.

Mr. Kortge said that he would be leaving the Board in December, and his position as a pension trustee would be vacant. He encouraged any Board member interested in that position to begin participating in pension-related activities as there is a steep learning curve and continuity is important. There would be a training opportunity later in the year at an annual meeting in San Diego.

Mr. Necker said that the Accessible Transportation Committee met on June 19. New officers were elected, and the Committee discussed a report on mobility devices that were not being accommodated on buses.


Mr. Johnson said that the lack of accommodation is due to overloads, rather than broken equipment on buses. He said that is one of the issues to be considered during schedule revisions.

Monthly Financial Report: Ms. Hellekson informed the Board that the goal for payroll tax receipts for the year was achieved in May. Personnel costs are tightly controlled, fuel costs are mitigated by the District's ability to purchase and store fuel, and ridership is strong. She said that the FY 2011-12 year-end report will be e-mailed to the Board and all interested parties before July 31.

Ms. Hellekson added that LTD pays the Oregon Department of Revenue to collect payroll taxes and the department is currently understaffed, making it difficult to pursue delinquencies.

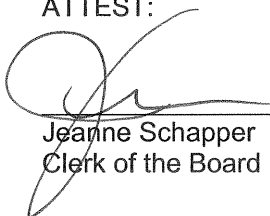
ADJOURNMENT: There being no further business, Mr. Eyster adjourned the meeting at 7:15 p.m.

LANE TRANSIT DISTRICT



Gary Gillespie
Board Secretary

ATTEST:



Jeanne Schapper
Clerk of the Board

Date Approved: September 19, 2012