

MINUTES OF LANE TRANSIT DISTRICT BOARD OF DIRECTORS
EXECUTIVE SEARCH COMMITTEE MEETING

January 13, 2011

Pursuant to notice given to *The Register-Guard* for publication on Wednesday, January 12, 2011, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Executive Search Committee was held on Thursday, January 13, 2011, in the Conference Room at 3500 E 17th Avenue, Eugene.

Present: Michael Eyster, Chair
Michael Dubick
Greg Evans
Gary Gillespie
David Collier, Senior Human Resources Analyst
Jeanne Schapper, Clerk of the Board
Susan Oldland, Administrative Secretary, Human Resources/
Recording Secretary
Enrique Washington, Generator Group
Elaine Lees, Generator Group
Will Scott, Generator Group

Absent: Doris Towery

CALL TO ORDER: Mr. Eyster convened the meeting and called the roll at 9:07 a.m. Mr. Gillespie was present, and Mr. Dubick was present via telephone conference call. Mr. Evans was not yet present, but arrived later at 9:12 a.m.

PROCESS DISCUSSION WITH GENERAL MANAGER RECRUITMENT FIRM: The Generator Group recruitment team was present via conference phone. Mr. Collier explained that the purpose of this meeting was to confer with the Generator Group on a recruitment process strategy, and to present a selection process timeline for the Committee's reference. Mr. Collier explained that the timeline had shifted since Mr. Pangborn's retirement date would be June 30, 2011, and not June 1, 2011, as originally thought. Mr. Washington stated that six months would be a realistic timeframe for this type of recruitment process. The timeline Mr. Collier proposed would occur between January 13 and June 30, about a six-month period.

Mr. Washington asked if there would be any overlap between Mr. Pangborn's departure and the new general manager's arrival. Mr. Eyster stated that LTD and Mr. Pangborn are open to that possibility, depending on who is placed in the position. Mr. Washington pointed out that most executives typically give at least a four-week notice when leaving a position. Mr. Eyster noted that the timeline that Mr. Collier developed would accommodate this scenario, with the final selection and notification made to the candidate in mid-May.

Mr. Evans joined the meeting at 9:12 a.m.

Generator Group staff will be in Eugene on January 18 and 19 to interview selected Board members, employees, and community stakeholders, which is the first milestone on the timeline. Mr. Washington clarified that the goal of these interviews would be to capture the information they need to produce a comprehensive recruiting document for candidates. The document would provide details on LTD, the position, challenges the new general manager would face, living in Eugene, and

other relevant details. This document also would provide full disclosure and a realistic job preview. Mr. Washington explained that the Generator Group will send a packet of questions for each stakeholder group in advance of the January 18 and 19 interviews.

Mr. Eyster asked whether the Board's questions would address the entire Board or individual members. Mr. Washington clarified that, depending on time, interviews would be with pairs or individuals.

Ms. Lees explained that the Board would have to come to an agreement on the final document to allow the Generator Group to proceed with the recruitment. Mr. Eyster confirmed that the next Board meeting is January 19, and added that the Board has empowered the Committee to make decisions on its behalf.

Mr. Collier asked whether the Generator Group staff would stay for the Board meeting, since they are in town for the interviews that same day.

Mr. Eyster agreed that their attendance would be a good idea. Mr. Washington stated that he and his staff would be able to attend.

Mr. Washington stated that the goals for today's meeting include talking about the stakeholders that will be interviewed and discussing more details about the general manager position. He proceeded to ask questions about the position and asked the Committee members to provide their perspectives on how to maintain continuity with those positive aspects of the current manager, as well as gaps to fill with the incoming manager.

Mr. Evans said that he perceived that LTD's relationship with labor and some members of the business community had deteriorated, resulting in some lost opportunities. He expressed concern that LTD needed to be closer to its primary stakeholders, not politically distanced as has occurred recently. He added that the new general manager would need to possess the ability to pay attention to detail, particularly in regard to maintaining community and business relationships.

Mr. Eyster added that the primary source of LTD's operating budget is payroll taxes from these local businesses. He pointed out that due to LTD's severe budget situation and resulting staff layoffs, leadership and management have been working significantly more hours to cover the workload.

Mr. Gillespie stated that he would prefer that the candidates possess the current general manager's ability to relate to almost anyone on his/her level, and also be able to explain how decisions are made related to the system as a whole. He also is outgoing and able to speak to the community about services that LTD offers.

Mr. Eyster added that this ability is critically important. He explained that the current general manager followed a manager that did not understand the community and its culture.

Mr. Dubick expressed his agreement, and added that he feels it is important to hire someone with a passion and concern for the ridership and a down-to-earth nature similar to Mr. Pangborn's. Mr. Dubick also commented that LTD's managers and staff have appeared to function very well under Mr. Pangborn's leadership.

Mr. Washington asked what ratio of time the new manager would spend internally focused as compared to externally focused. Mr. Eyster replied that this question is difficult to answer since LTD

has sacrificed the recently vacated assistant general manager (AGM) position, which had historically focused on LTD's internal operations.

Mr. Evans clarified that the AGM position has remained unfilled due to the budget shortfalls, and to allow the new general manager to develop his or her own management structure. Mr. Evans indicated that the Board is uncertain whether this position would be filled in the near future, or whether the duties of the position will continue to be performed by one or more members of the Leadership team.

Mr. Dubick concurred that filling the assistant general manager position would not likely happen soon. He emphasized that if the position were to be filled, it should have a stronger component of community outreach, and the person should represent LTD well.

Mr. Eyster pointed out that executives in this community work 12- to 14-hour days, at least for the first year or two, working both internally and externally for their organization. Mr. Washington agreed that this workload is a realistic perspective of the position, and the incoming general manager should know this information coming in to the job.

Mr. Evans commented that LTD has a strong leadership team that is capable of managing the internal operations of the organization, which would support the general manager in sustaining a 70/30 ratio of external to internal focus. Mr. Washington concurred with the assessment of this ratio, based on his experience. The new general manager will have to determine who to rely on for what within the leadership team.

Mr. Washington asked the Committee members to describe how important it is to LTD that the new general manager has some knowledge or experience with bus rapid transit (BRT). Mr. Evans and Mr. Gillespie replied that it is critical that the new general manager be familiar with BRT. Mr. Evans explained that the community has been working on BRT during the past 16 years, and is, therefore, strongly committed to it. Mr. Eyster added that technical expertise is not as critical as political skill and support for the concept.

Mr. Gillespie revisited the discussion of internal versus external and made two points. First, he stated that the community identifies with the driver on their bus route, and that is what LTD is to them. He explained that because of this relationship, the new general manager should identify with the labor force. Second, because LTD is region-wide, it has its finger in the pie of Lane County. Consequently, the general manager needs to be involved in the other jurisdictions' processes and meetings. This involvement creates greater external time commitments for day and evening meetings.

Mr. Scott inquired about LTD's health care costs and the labor force issues, and what kind of manager would be effective in working with local labor on these and other key issues. Mr. Gillespie explained that he has a strong labor background, likely one of the critical reasons the governor appointed him to the Board. He clarified that the local union is part of a bigger group, the ATU Local 757 based in Portland, and that they tend to dictate to the Eugene local. He stated his belief that the labor relationship had improved, based on the recent collective bargaining agreement being successfully negotiated. He added that the relationship between management and labor is still an iffy situation, just like all labor.

Mr. Dubick pointed out that this successful negotiation was due in part to all of the pre-negotiation committee work, where key management and union members met to discuss and understand health care and pension issues prior to negotiations.

Mr. Eyster stated that he was on the Board during the last labor strike. He thought that the issue was not about health care issues, but rather the arrogance and the lack of communication and respect toward the union.

Mr. Washington then asked the Committee members to comment on the strengths of the leadership team. Mr. Evans responded to this question, and stated his assumption that at least two members of the leadership team will likely apply for the position. He added that LTD has very strong leaders in Finance, Human Resources, Service Marketing, and Operations. He stated that in his opinion, LTD has one of the most competent, talented, and well-versed teams of any of the region's agencies, but wanted to stay general in terms of his response because of the potential internal candidates.

Mr. Eyster added that the quality and commitment goes deep into the organization--from lower-level managers to bus operators. Mr. Eyster added that people are drawn to LTD because it is a good place work and people are paid well.

Mr. Evans stated that he worked at LTD for three years more than 21 years ago, and knows of several people still employed since he left.

Mr. Dubick pointed out that management encourages people to take on leadership roles. LTD has a succession management strategy and builds leaders from within; for example, the recent transition in the Facilities manager position of Charlie Simmons to Joe McCormack.

Mr. Scott stated that he has been aware of the progressive and innovative nature of LTD, citing the implementation of BRT as an example, and asked where this spirit comes from. Mr. Evans replied that LTD has a history of innovation. He explained that in 1984, LTD was the first district in the country with fully lift-equipped, fixed-route service, which was well before the American Disabilities Act passed in 1991. Additionally, LTD was first to implement BRT, and created the vehicle used on this line with New Flyer. With this history of culture of vision and innovation, this position is an excellent opportunity for the new general manager to be a part of a cutting edge transit district with excellent Board and staff support.

Mr. Washington asked the Board to describe the culture within the organization. Mr. Evans replied that while the Board hires only the general manager, the current general manager's style allows for Board to communicate and interact directly with staff. He explained that the Board is clear about its role as implementers of policy, and does not interfere with the day-to-day workings of staff. The Board is, therefore, well-informed and makes policy accordingly.

Ms. Lees asked if LTD has a formal general manager review, and requested a template or criteria for such. Mr. Eyster said that the requested information would be provided.

Mr. Evans said that LTD is top in diversity in the region, especially with operators and customer services staff; however, somewhat less in leadership staff. The Board is committed to working toward more diversity in higher positions, so one of its goals for the new general manager would be to develop a diversity plan for leadership.

Mr. Gillespie suggested that the Generator Group interview LTD staff to better understand the culture and the decision-making process. He explained that the Board keeps involvement with staff limited to policy development and approval of recommendations and decisions.

Mr. Dubick stated that he has seen collaboration and no evidence of power struggles or infighting among staff, and has observed mainly discussions and problem solving to resolve issues. He explained that this style is the reason the organization functions so well.

Mr. Washington inquired about the general manager that did not work out. He asked what might derail an executive at LTD, and how it might be avoided. Mr. Eyster responded that the general manager, assistant general manager, and Leadership team understand the importance of collaboration and are good at it. If LTD hires someone who is hierarchical, it might be a problem. He added that the character of the Board is a model in the community because even though members have a wide spectrum of political opinions, they are able to deliberate, work through decisions that are not unanimous, and have respectful discussions and conversations. He said that Board members genuinely enjoy each other's company and are careful not to get caught up in territorial disputes.

Mr. Evans added that a previous general manager, Phyllis Loobey, was a good general; however, she pulled the agency out of the American Public Transit Association (APTA). Mr. Pangborn brought LTD back into APTA in a gradual, yet strong way. Because of his 70/30 external/internal focus, he had the vision that would help LTD regain a strong position in the industry. This effort has resulted in a nation-wide interest in the LTD general manager position.

Mr. Washington asked the Committee members to describe their expectations of communications between the general manager and the Board. Mr. Dubick responded that there should be no surprises.

Mr. Eyster explained that the approach Mr. Pangborn has with the Board works very well. He added that the Board is open to a new approach, but expressed some concern that it may be difficult if a new approach would limit Board access to LTD staff. Members have been careful to consult with staff, but not to give direction.

Mr. Washington said that he would ride the BRT system when he visits in order to share the experience and represent the organization from the business standpoint and the system in general. Mr. Eyster encouraged him to also ride the regular buses to get a feel for the entire system.

Mr. Washington noted that the Committee has alluded to bringing in a general manager with new and fresh ideas, and he asked if the Board is seeking to find someone to shake things up, or someone who will periodically make needed changes in the organization.

Mr. Dubick stated that he would prefer the latter choice. Mr. Evans added that LTD did not need shaking up. Mr. Gillespie said that one concern he had was that staff can sustain a zero increase in salary and cuts in service for only so long before a counter-culture emerges in the organization. Addressing this issue would take tweaking, not an overhaul. He also stated that the organization is deep in experience and depth, but shallow in numbers. Mr. Eyster agreed.

Mr. Scott asked about the progressive payroll tax and the strategic direction that LTD will take to find alternate funding. Mr. Evans stated that the payroll tax is actually regressive in a way, due to the economy and unemployment rates. Loss of jobs has resulted in a decrease in service. He also emphasized that most other transit agencies are in a similar situation. LTD will be challenged if the fuel costs go up to \$5-6 per gallon.

Mr. Eyster further clarified that LTD has a one-legged funding stool in place, which works as long as business is expanding. Mr. Evans stated that some fees and taxes have been discussed locally, but

none have been approved. Mr. Gillespie added that the only taxes being seriously considered are to fund schools, of which LTD could not compete.

Mr. Scott summarized the type of scenario LTD is seeking for its new general manager: short-term, improved productivity and minimal future service decreases, with plans for future expansion. Mr. Eyster explained that the implementation of EmX will be gradual, with 61 total miles of routes planned. LTD has 15 miles of EmX, which took 10 years per route for the first two routes. The third and more controversial route will likely take longer. He added that LTD is evolving from a hub and spokes system to service on major corridors. Mr. Scot asked if Service Planning staff have good experience and knowledge to evolve this system. Mr. Eyster replied that staff are very experienced and capable in this area.

Mr. Washington asked if the Generator Group would be responsible for creating the position description, per the Request For Proposal. Mr. Eyster confirmed that this would be the case.

Mr. Washington explained that the Generator Group facilitates a systematic process using competencies associated with the effective performance of a transit leader. He described the process in which six to eight competencies for effective performance will be identified by the Committee. Ms. Lees detailed the expected results of this process and explained that it will produce a successful candidate profile, define the competencies that allow a general manager to do the job well, and then match the type of candidate with the profile. Mr. Washington explained that the final product will list the expected outcomes. The document will describe what LTD holds unique and will explain how it will hold the new general manager accountable and assess their performance.

Mr. Eyster explained that Eugene is a community with sometimes polarized opinions. He asked the Generator Group how they will create a success profile that the Board endorses and also considers input from elements of the community that feel entitled to provide input. Meanwhile, a search for a new superintendent of the Eugene School District has gotten some high-profile publicity and a more open process. Mr. Eyster expressed concern that the school district search will be compared with LTD's search, which is a much lower profile search; and community members may start questioning why LTD has not been as visible with its general manager search. He stated that LTD will need the Generator Group's help with this issue.

Mr. Scott stated that he's witnessed very open processes, and acknowledged that they are more challenging than private recruitments.

Mr. Evans stated that LTD needs to maintain dignity during the process and not allow it to turn into a circus, which can happen quickly if the process is not managed well. He stated that the stakeholder input process should be well crafted. He expressed concern about the school district being compared with LTD, since the agencies are very different.

Mr. Dubick concurred with Mr. Evans' assessment. He stated his belief that there is a different sense of ownership with LTD than with the school district. He feels the Board's responsibility is to pick the best person. Mr. Evans added that he has personal experience dealing with key community members on core issues, and they do not hold transit in the same light as they do the school district.

Mr. Washington asked about the Generator Group's pending visit and who they will be meeting with. Mr. Eyster said that the group will include riders, agency heads providing services to transit-dependent people, opponents to West Eugene EmX Extension (WEEE), chambers of commerce presidents, and mayors and city managers of both Eugene and Springfield.

Mr. Dubick suggested that a Committee member have a conversation with Gerry Gaydos, former Board chair. Mr. Evans agreed, and added that former Board members Rob Bennett and Tammy Fitch also should be contacted.

Mr. Washington pointed out that busy schedules may exclude a number of these leaders and asked the Committee to prioritize the top four or five.

Mr. Evans suggested adding ATU leadership to the stakeholder group.

Mr. Collier asked that key employees with long employment histories and insight into the organization be interviewed. Mr. Scott asked Mr. Collier to pull together a list.

Mr. Dubick asked if the Generator Group had access to input that LTD received from the Committee's recent general manager evaluation process conducted with key community members. Mr. Collier stated that he had some feedback from this process and would forward it to the Generator Group.

Ms. Lees said that she would like the opinions that were solicited from this initial feedback process that can be used to keep stakeholders informed. Generator Group, Mr. Collier, and the Committee discussed logistics, schedules, and other details of Generator Group's next visit; and who will coordinate meetings with stakeholders, the current general manager, key LTD employees, and Board members. The Generator Group will provide questions for Board, staff, and community stakeholders for review, and Mr. Collier and Mr. Eyster will finalize them.

ADJOURNMENT: Mr. Eyster adjourned the Meeting at 10:37 a.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, January 19, 2011

Pursuant to notice given to *The Register-Guard* for publication on January 13, 2011, 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, January 19, 2011, 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
Doris Towery
Michael Dubick
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Wade Hicks, Minutes Recorder

Absent: Greg Evans, Vice President

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll at 5:31 p.m.

PRELIMINARY REMARKS BY BOARD PRESENT: No preliminary remarks were offered.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: There were no announcements or additions to the agenda.

BOARD CALENDARS: Mr. Pangborn noted that LTD will hold its Employee Celebration event on Sunday, January 23, in recognition of the Employees of the Months for the previous year, and the 2010 Employee of the Year also would be recognized. Mr. Pangborn requested that any Board members who were interested in attending to please notify Ms. Schapper.

Mr. Pangborn said that LTD staff were scheduled to meet with the Eugene City Council during the work session portion of the Monday, January 24, 5:30 p.m., meeting to present updated information regarding the West Eugene EmX Extension (WEEE) project. Mr. Pangborn confirmed that Mr. Eyster, Mr. Evans, Mr. Kortge, Mr. Dubick, Mr. Gillespie, and Ms. Towery were planning to attend. Mr. Necker said that he planned to attend the work session if his schedule allowed.

Mr. Pangborn noted that the Board would not be expected to engage in any deliberations at the City Council work session regarding the selection of the Locally Preferred Alternative for the WEEE project.

Mr. Pangborn reported that the January 25 Board Human Resources Committee meeting had been canceled.

Mr. Pangborn said that a meeting of the region's legislative delegation to the State legislature had been scheduled for Friday, January 21, and the LTD Board was invited to attend.

Mr. Pangborn noted the upcoming scheduled meetings of the Joint Locally Preferred Alternative Committee (JLPAC) for January 31 and February 1. Ms. Schapper added that the February 1 meeting of the JLPAC would be an open house conducted jointly by the LTD Board, the Metropolitan Policy Committee (MPC), and the Eugene City Council.

Mr. Pangborn reported that the Eugene City Council had scheduled a meeting at 12:00 p.m. on March 9 to make its final decision regarding the Locally Preferred Alternative (LPA). He added that the final LPA decision dates for the MPC and the LTD Board were March 10 at 11:30 a.m. and March 16 at 5:30 p.m., respectively.

Mr. Eyster announced that there were guests present from The Generator Group, a human resources consulting firm from Portland. The guests were identified as Enrique Washington, Elaine Lees, and Will Scott. Mr. Eyster noted that The Generator Group had been selected as the search firm for LTD's general manager position and that the representatives were in Eugene to interview community representatives and to learn more about the area.

Mr. Necker commented that he had been skeptical about hiring an outside consulting firm to oversee the general manager search process; however, his recent meeting with Mr. Scott had allayed many of his concerns.

Mr. Eyster confirmed that The Generator Group would only serve in an advisory capacity to the LTD Board and staff, and they would not be directly involved in the decision process regarding the general manager position.

WORK SESSION

West Eugene EmX Extension (WEEE): Director of Planning and Development Tom Schwetz provided an overview of the current status of the WEEE project. He noted that LTD staff planned to focus on the different advisory groups that had recently contributed to the discussion process surrounding the WEEE in general and the selection of the LPA in particular.

Mr. Schwetz reported on the progress of the WEEE Corridor Committee and noted that at the Committee's December 7, 2010, meeting, the group had held a detailed discussion regarding the 17 measures of effectiveness to be used in the evaluations for the WEEE project's alignment alternatives. Mr. Schwetz further noted that the Committee's work had been directed into the JLPAC's subsequent discussion and review processes.

Mr. Schwetz reported that the Metropolitan Planning Organization's Citizens Advisory Committee (MPO CAC) had, at its November 3 meeting, passed a vote to recommend to the MPC the selection of the mitigated West 11th/13th Avenue alignment alternative. He further noted that an MPO CAC motion to recommend the selection of the No-Build alternative had failed for lack of a second.

Responding to a question from Mr. Eyster, Mr. Schwetz confirmed that the No-Build alternative would be carried forward to the MPC for further consideration regardless of the MPO CAC's vote.

Mr. Schwetz noted that the WEEE Steering Committee had passed a motion to recommend to LTD the selection of the mitigated West 11th/13th Avenue alignment alternative and to continue to advance the No-Build alternative. Mr. Schwetz reported that the Committee's vote had been 5:1 in favor, with four steering committee members abstaining. Mr. Schwetz added that the abstention votes had been represented by those committee members who also served on the JLPAC.

Ms. Towery noted her concerns that the LTD Board members needed to make clear that any steering committees that were assembled regarding LTD projects were intended to make recommendations with the full memberships of those committees. She further noted her understanding that abstention votes were to be reserved for members where conflicts of interest or meeting absences may influence the voting processes.

Mr. Schwetz said that the WEEE Project Management Group was composed of members of LTD, the City of Eugene, and the MPC. Its vote to recommend the selection of the mitigated West 11th/13th Avenue alignment alternative, and a memo reflecting their recommendation was forthcoming.

Mr. Schwetz summarized the recommendations and concerns of several other community and stakeholder advisory groups regarding the WEEE project. These groups include the Associated Students of the University of Oregon, the University of Oregon Graduate Teaching Fellows Federation, the West Eugene Collaborative, the Eugene Chamber of Commerce, and the City's Coordinated Land Use and Transportation Action Committee. Mr. Schwetz commented that several neighborhood associations also were expected to provide recommendations regarding the WEEE project and the alignment alternatives.

Mr. Schwetz noted that the Whiteaker Neighborhood Association had recently met regarding the alignment alternatives. He expected the leaders of that group to take some form of formal action regarding the WEEE project in the near future.

Mr. Schwetz briefly commented on how funding for the alternatives analysis had been directed to cover the process into August 2011.

Senior Project Manager John Evans provided an update on the mitigation strategies that had been developed for the WEEE project alignment alternatives for West 11th/13th Avenues and West 6th/7th Avenues. He then described in detail the most recent revisions to the mitigation strategies.

Responding to a question from Mr. Eyster, Mr. J. Evans noted that no full property acquisitions had been necessitated by the mitigation strategies that had been developed. He further noted that there were no parking lots that would be completely affected by the mitigation strategies.

Mr. J. Evans said that while certain individuals had suggested that M & G Collision Specialists would go out of business because of the WEEE project, he had spoken with the owners who had informed him that they did not agree with such an assessment. Mr. J. Evans commented that the M & G owners had expressed a potential desire to relocate their business should direct assistance from LTD be made available for such purposes. Mr. Pangborn added that LTD would do everything in its power to protect M & G's operations.

Mr. Eyster appreciated the amount of staff work that had gone into the efforts to develop the mitigation concepts and to directly respond to the concerns of businesses and residents in the West Eugene area.

Mr. J. Evans described additional elements of the proposed mitigation strategies for the West 11th/13th Avenue alignment alternative. He stated that with respect to the Commerce terminus for the alternative, the City of Eugene had requested that LTD design an additional pedestrian access bridge across the Amazon Canal near the terminus.

Mr. J. Evans then reviewed in detail the various design elements of the proposed mitigation strategy for the West 6th/7th Avenue alignment alternative. Next he described the manner in which the mitigation strategy avoided certain adverse impacts and property acquisitions that had been identified.

Responding to a question from Mr. Eyster, Mr. J. Evans noted that the mitigated 6th/7th alignment alternative represented no adverse impacts to Midgley's Stove & Fireplace Center as the alignment was designed to be constructed for mixed traffic use on the other side of the street from that business. Mr. Eyster suggested that Midgley's may even see increased business from EmX riders.

Mr. J. Evans summarized the levels of potential property acquisitions that may be required under the mitigated West 11th/13th Avenue alignment alternative.

Mr. Gillespie noted that the percentage of dedicated lanes planned under the proposed mitigation strategies for the two alignment alternatives was still higher than that of the Franklin and Gateway EmX routes. Mr. J. Evans confirmed Mr. Gillespie's statement and noted that the proposed mitigations included approximately 76 percent transit priority lanes, whereas the Gateway and Franklin routes used approximately 60 percent dedicated lanes.

Mr. Schwetz described the key performance measures being used to evaluate the alignment alternatives and the WEEE project in general. He continued by discussing how the Federal Transit Administration planned to use those measures to compare the costs of the alignment alternatives with the potential benefits. Mr. Schwetz also described how the capital and operating costs for the alignment alternatives would be evaluated using the key performance measures.

Mr. Kortge noted that the difference between the operational costs for the No-Build and Build alternatives had been presented as approximately \$1 million; however, the difference was closer to half that amount.

Director of Service Planning, Accessibility, and Marketing Andy Vobora described how grant funding for new EmX vehicles had allowed for the repurposing of 5307 funds in a manner that would significantly decrease the annual operating costs for the West Eugene EmX service.

Mr. Kortge suggested that LTD would not be forced to reduce additional services in order to meet the operating costs for EmX services based on the projections indicated in LTD's Long-Range Financial Plan.

Mr. Pangborn expressed that the federal government, through the grant program that would be used for LTD's next purchase of vehicles, had ameliorated beyond LTD's most optimistic expectations any potential difficulties related to the operating costs. He noted that approximately \$8.3 million in federal grant funding had been secured that would go to the purchase of 24 new buses.

Mr. Schwetz described in detail how ridership figures also would be used as a key performance measure and noted the projected ridership for each alternative. Mr. Schwetz further presented comparison data regarding population and employment figures for the West Eugene, Franklin, and Gateway EmX corridors.

Mr. Kortge expressed that business and employment growth along the Franklin EmX corridor had been fairly staggering despite indications that most of the growth had been attributed to expansions by the University of Oregon.

Mr. Pangborn referred to Mr. Schwetz's comments regarding economic growth in the West Eugene and Franklin Avenue areas, and he noted that PeaceHealth Hospital planned to perform a complete reconstruction of its University campus.

Mr. Schwetz briefly noted the upcoming meeting and public discussion processes related to the selection of the Locally Preferred Alternative. He told the Board that the JLPAC had scheduled its final work session meeting for February 14.

Mr. Eyster thanked Mr. Schwetz and the LTD staff for their exhaustive efforts to identify and mitigate any potential problems that may arise from the implementation of the WEEE project.

Gateway EmX: Mr. Eyster thanked Project Communications Coordinator Lisa VanWinkle and the LTD staff for their efforts in coordinating the opening festivities for the Gateway EmX route.

Mr. Vobora reviewed the Gateway EmX grand opening activities and described in detail the first day of service on January 9. He noted that Congressman Peter DeFazio had attended the Gateway EmX grand opening dedication ceremony.

Mr. Vobora briefly reviewed the operational performance of the new Gateway EmX route since it had begun on January 9. He said that it had been affected by ice on the roadways in certain portions of the route on the first Monday morning that the route had been in operation.

Mr. Vobora noted that LTD staff had been able to use an automatic vehicle location map to determine the precise location and schedule adherence levels of the Gateway EmX route.

Mr. Vobora stated that ridership appeared to be strong on the new Gateway EmX route, although more definitive information regarding the ridership for the route had yet to be collected. He further noted that the route had averaged approximately 2,000 boardings per day since its implementation.

Mr. Vobora cautioned that LTD needed much more data to accurately evaluate not only the performance of the Gateway EmX route but also the levels at which the Gateway route interacted with the other EmX route and LTD's regular bus services.

Mr. Vobora commented on the fare enforcement strategies that had been used for the Gateway EmX route since its implementation. He noted that finishing touches such as real-time information signs would be incorporated into the Gateway EmX route sometime before the end of the current fiscal year.

Mr. Vobora expressed that Facilities Project Manager Charlie Simmons had done an amazing job coordinating the development of the Gateway EmX extension project. Mr. Vobora noted that Mr. Simmons planned to retire sometime in 2011. Then Mr. Pangborn presented Mr. Simmons with a token of recognition and thanked him on behalf of LTD for his extraordinary efforts.

Mr. Simmons thanked Mr. Pangborn, the Board members, and his fellow LTD staff members, and commented that he had had the time of his life serving the community as he worked for LTD.

Mr. Pangborn commented on the opening and dedication festivities surrounding the Gateway EmX project and thanked the Board members and staff for all they had done to see the project through to its completion.

Dessert in Recognition of Gateway EmX: Mr. Eyster called for a break at 6:33 p.m. and reconvened the meeting at 6:44 p.m.

EMPLOYEE OF THE MONTH – FEBRUARY 2011: Mark Johnson introduced LTD's Employee of the Month for February 2011 as Marcia Moffitt and briefly described the high level of service that she had provided to the District.

Mr. Eyster presented Ms. Moffitt with an award and thanked her on behalf of the LTD Board for her service to the District.

Ms. Moffitt thanked the LTD Board for their comments and the award, and then she performed a musical number that she had composed titled "Remember Me, the LTD Driver."

AUDIENCE PARTICIPATION

Robert Rubin, 2836 West 11th Avenue, Eugene, congratulated the LTD Board on the successful completion of the Gateway EmX Extension project but questioned the feasibility of the West Eugene EmX Extension (WEEE) project, particularly with regard to the funding and operational costs necessary to maintain a West Eugene EmX route. Mr. Rubin praised the LTD staff for their efforts to develop the proposed mitigation strategies for the alignment alternatives.

Mr. Rubin expressed his belief that a disproportionate number of LTD businesses in the West Eugene area would be adversely affected by the construction of the WEEE route.

Pauline Hutson, 1025 Taylor Street, Eugene, said that she felt that LTD staff had misled the public with respect to the data that had been distributed regarding the alignment alternatives and the WEEE project. She stated her belief that LTD staff had inaccurately categorized her recent public comments and correspondence as misinformation. She questioned the amount of money that LTD had spent on various public relations and public engagement efforts.

Joseph Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, said that he felt that LTD's EmX Steering Committee had not followed parliamentary rules with respect to voting abstentions and that the Steering Committee's motion to recommend the mitigated West 11th/13th Avenue alignment alternative had not technically been passed. He stated his belief that the City of Eugene had requested that a 15-foot right-of-way easement be added to certain portions of the alignment alternatives. He stated that he had requested that the Eugene City Council incorporate its West Eugene transit discussions into the Envision Eugene initiative.

Erin Ellis, 90 South 32nd Street, Springfield, said that she had identified discrepancies in the projections presented by LTD staff with respect to the operating costs projected for the alignment alternatives. She noted that the Our Money Our Transit group, which she represented, did not concur with the data presented by LTD staff and requested further clarification.

Mr. Schwetz responded to Mr. Siekiel-Zdzienicki's comments regarding potential easements in the West Eugene area, and he noted that Eugene City staff had recommended to the Eugene City Council that it defer for the West 11th corridor to the Eugene City Code that required new developments to be built up to the street. He further clarified that LTD had not formally requested, and was not currently advocating for, any right-of-way easements along West 11th Avenue.

Mr. Schwetz, responding to a question from Mr. Eyster, noted that the Eugene City Council had held a work session discussion regarding right-of-way setbacks in the West Eugene corridor, but that no formal actions in that regard had been taken at that or any subsequent Council meeting.

Ms. Towery stated that EmX Steering Committee member Josh Skov had raised discussion topics that referenced right-of-way setbacks at previous EmX Steering Committee meetings. She stated that Mr. Skov had commented that the community would need to definitively address those issues in the near future.

ITEMS FOR ACTION AT THIS MEETING

MOTION Consent Calendar – Mr. Kortge moved adoption of LTD Resolution 2011-001: It is hereby resolved that the Consent Calendar for January 19, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of minutes of the September 15, 2010, regular Board meeting; minutes of the October 20, 2010, canceled regular Board meeting; minutes of the November 17, 2010, canceled regular Board meeting; minutes of the December 5, 2010, special Board meeting by conference call; minutes of the December 15, 2010,

canceled regular Board meeting; and the Accessible Transportation Advisory Committee Bylaws and Membership.

VOTE The Consent Calendar was approved as follows:
 AYES: Gillespie, Eyster, Towery, Necker, Kortge, Dubick (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Evans

Public Hearing: FY 2012-19 Capital Improvement Program: LTD Finance Manager Todd Lipkin briefly outlined LTD's Capital Improvements Program (CIP) for FY 2012-19 for the benefit of the Board.

Mr. Eyster opened the public hearing.

Mr. Siekiel-Zdzienicki requested further information regarding the CIP and the debt issuance for revenue vehicles planned for FY 2014-15. Mr. Lipkin responded that the debt issuance was for LTD's regular buses and not for West Eugene EmX vehicles.

Mr. Pangborn also responded to Mr. Siekiel-Zdzienicki's questions and described how the FY 2014-15 debt issuance had been organized utilizing a combination of federal and state grant resources. He further noted that the debt issuance for the CIP had been put together before LTD had been awarded the federal grant that would be used for the purchase of new EmX vehicles.

Mr. Lipkin noted that the CIP assumed that the debt issuance for the revenue vehicles would be paid back with federal funds.

Mr. Eyster closed the public hearing.

First Reading of Ordinance No. 41, an Ordinance Amending Ordinance No. 38 to Revise the Definition of "Net Earnings from Self-Employment": Chief Accountant/Internal Auditor Carol James described how Ordinance No. 38 had originally been passed in 1994 and had included a definition for net earnings from self-employment from the Internal Revenue code. She further noted that the proposed Ordinance No. 41 was designed to make LTD's tax code commensurate with that of TriMet.

Responding to a question from Mr. Necker, Ms. James stated that the only substantive difference between Ordinances 38 and 41 were the dates of effectiveness for the tax law provisions described therein.

MOTION Mr. Dubick moved that Ordinance No. 41 be read by title only. Mr. Kortge provided the second.

VOTE The motion was approved as follows:
 AYES: Gillespie, Eyster, Towery, Necker, Kortge, Dubick (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Evans

Mr. Pangborn read aloud the title of Ordinance No. 41 for the benefit and information of those present.

Mr. Pangborn noted that a second reading of the ordinance and a motion to adopt would be presented at a subsequent Board meeting.

ITEMS FOR INFORMATION AT THIS MEETING

General Manager Search Process: Senior Human Resources Analyst David Collier presented information regarding the most recent development surrounding LTD's general manager search process. He noted that representatives of the search firm hired to oversee the process, The Generator Group, were in Eugene to speak with LTD staff and Board members as well as members of the Central Lane MPO CAC.

Enrique Washington thanked the Board and LTD staff. He then commented that he and his colleagues from The Generator Group had witnessed a high degree of consistency with respect to the feedback that had been offered regarding what qualities that LTD's new general manager would need to possess in order to be successful in the position.

Mr. Washington reported that he and his colleagues had recently taken trips on LTD buses, and they found the system to be extremely efficient and well-maintained.

Mr. Washington briefly outlined the next steps for the general manager search process, and he stated that The Generator Group planned to develop a highly detailed Job Success Profile and Company Position overview to be used to identify and recruit candidates for the position.

Mr. Eyster commented on the process by which The Generator Group had been selected to serve as LTD's consultant firm for the general manager search process, and he noted that the firm had clearly been the firm best suited to the needs of LTD.

Ms. Towery concurred with Mr. Eyster's assessment of The Generator Group and further noted her appreciation that the firm was based in Oregon.

Mr. Eyster invited the Board members to hold a brief discussion regarding their expectations for the new General Manager of LTD.

Ms. Towery suggested that LTD search outside the transit industry for suitable candidates, and she stated her belief that if a suitable estimation of the agreed skill sets for the position could be agreed upon, the candidates might come from the ranks of local government officials from Oregon and other parts of the country.

Mr. Kortge responded to Ms Towery's comments and added that it would be necessary for LTD's new general manager to have a working familiarity with the transit industry, particularly in those areas where complex funding issues were involved.

Mr. Dubick stated his belief that a suitable general manager candidate needed to have a passion for public transit and for those members of the community who were directly served by public transit systems.

Mr. Necker agreed that public transit and funding experience were important qualities to have in a new general manager but also recognized the need for "new blood" with respect to the current and future needs of LTD.

Mr. Gillespie stated that the new general manager would need to be an excellent communicator. He further suggested that it would be important for the new general manager to have a background in public transit, especially in consideration of the complex funding issues that were likely to affect LTD in the future.

Mr. Gillespie appreciated the highly focused nature of the questions that The Generator Group representatives had asked during their meetings with the LTD Board and staff.

Ms. Towery commented that it was critically important for LTD's new general manager to have a passion for public transit and for the myriad of issues that affected public transportation in the region.

Mr. Kortge noted that Will Scott of The Generator Group had commented very favorably on the condition of the LTD vehicles. Mr. Kortge further suggested that LTD's maintenance efforts were symbolic of its strong commitment to providing effective public transportation to the community, and that a general manager candidate that did not have a public transportation background may not share such priorities.

Mr. Pangborn noted that the feedback he had heard regarding his own tenure as LTD's General Manager had been very fulfilling. He stated that he was very confident that LTD would be able to recruit a strong general manager that would meet the needs of the District.

Board Member Reports: Mr. Pangborn reported that Lane County Commissioners Rob Handy and Pete Sorenson no longer represented Lane County on the Metropolitan Policy Committee (MPC) and that the new Lane County Commissioner representatives to that body were Sid Leiken and Jay Bozievich.

Mr. Pangborn reported on recent conversations he had with MPC staff regarding the MPO CAC's discussions surrounding the WEEE project. He noted that the CAC had been very responsive to the WEEE presentations and had provided a significant amount of helpful feedback. He noted that he and other LTD staff were currently in the process of investigating how the MPO CAC might be used by LTD in an advisory capacity regarding the WEEE project and other local transit issues.

Mr. Dubick commented that the Lane Council of Governments had recently announced that it had received a \$1.45 million grant for sustainability. He maintained that LTD was so heavily involved in LCOG activities that it seemed reasonable to suggest that LCOG change its bylaws so that LTD might become a dues paying member of that organization.

Mr. Kortge reported that LTD's pension trust group planned to meet on January 24. He stated his intention to recommend that the Pension Trust Group make a report to the LTD Board regarding the District's pension plans. Mr. Pangborn expressed that a presentation from the Pension Trust Group would be helpful to the LTD Board as it considered prospective changes to the LTD pension plan.

Mr. Gillespie responded to Mr. Kortge's comment and said that he thought that a presentation from the pension trust group also would be helpful to the Board's understanding of the pending bargaining process.

Mr. Eyster reported that APTA President Bill Millar would be retiring later this year, and Greg Evans had been asked by the APTA Board to serve on the selection committee for APTA's next president. Mr. Eyster added that Mr. Evans was currently in Texas working with the APTA Executive Search Committee.

Mr. Eyster reported that he had appointed himself as the LTD representative to the Lane Area Commission on Transportation (ACT) and that he would serve in that capacity until one of the other Board members became available to take over.

Mr. Necker reported that the Department Advisory Committee (DAC) for the Eugene Transportation System Plan (TSP) had tried at its most recent meeting to reach a consensus regarding what might constitute success in the establishment of a new regional transit plan.

Mr. Gillespie referred to earlier public comments that had referenced the Envision Eugene initiative. He further maintained that some members of the DAC had said that they thought that the Envision Eugene initiative had stalled out.

Mr. Schwetz asked the Board members to continue to consider how LTD might use its long-range planning efforts to supplement the further development of the Eugene and Springfield TSPs.

Engaging Older Adults and People with Disabilities in EmX Planning: Accessible Services Program Manager Terry Parker summarized recent efforts on behalf of LTD's Accessible Transportation Advisory Committee to incorporate additional feedback from older community members and persons with disabilities in the development discussions surrounding the WEEE project and future expansions of LTD's EmX system. She discussed how the users of LTD's RideSource program had historically participated in various levels of public discussions related to the development of regional BRT systems.

Mr. Eyster stated that he had recently spoken with two wheelchair users who had been very pleased with how LTD had addressed their transportation needs.

Monthly Financial Report – December 2010: Director of Finance and Information Technology Diane Hellekson presented data from the December financial report. Ms. Hellekson noted that payroll tax receipts had been roughly what had been expected and that LTD would proceed with its revised Long-Range Financial Plan accordingly.

Ms. Hellekson noted that all of the payroll tax revenue increases for the current year had been attributed to the recent rate increase that occurred on January 1.

Mr. Kortge commented on recent construction projects in the community that had likely contributed to the increased payroll tax revenues.

Ms. Hellekson said that the average fuel price for LTD was currently \$2.42 per gallon, which represented a slight increase from what had previously been budgeted. She noted that LTD staff would continue to monitor fuel prices closely in the coming months.

Responding to a question from Mr. Eyster, Ms. Hellekson briefly described how the payroll tax increases had been implemented during the last year.

Director of Maintenance George Trauger, responding to a question from Mr. Kortge, described the circumstances under which LTD may choose to fill its fuel storage tank in Coos Bay. He noted that he was authorized to purchase up to 120,000 gallons of fuel at a time.

Mr. Pangborn noted his recent discussions with a community member named Mark Rabinowitz, and he briefly discussed how those conversations and others had affected ongoing discussions of how LTD not only purchases and utilizes fuel but also how LTD may chose to incorporate other fuel and renewable energy sources.

The LTD Board and staff briefly discussed how LTD might take advantage of current and future opportunities to incorporate more fuel efficient technologies into its various transit systems.

Monthly Grant Report: Financial Services Manager Todd Lipkin noted that the grant report included in the agenda item summary included information regarding LTD's various grant application and allocation activities.

Mr. Pangborn said that the information contained in the monthly grant report provided a unique perspective on the complexity of the grant funding processes currently being used by LTD.

Mr. Eyster noted that he had recently met with a car sharing group organized by LCOG. He noted that the group had recently focused its efforts on promoting various regional car sharing activities and initiatives. Mr. Schwetz commented that LTD expected to receive funding to assist that group.

Mr. Vobora announced that Opus VII had scheduled an upcoming art exhibition that focused on local transportation and to which LTD had contributed various materials. He encouraged the Board members and staff to visit the exhibition.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 7:59 p.m.

MINUTES OF SPECIAL BOARD MEETING/WORK SESSION WITH
EUGENE CITY COUNCIL
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

Monday, January 24, 2011

Pursuant to notice given to *The Register-Guard* for publication on January 20, 2011, and distributed to persons on the mailing list of the District; the Eugene City Council and the Lane Transit District Board of Directors held a special meeting/work session on Monday, January 24, 2011, beginning at 5:30 p.m., in the McNutt Room at Eugene City Hall, 777 Pearl Street, Eugene.

Present:

Eugene City Council

Mayor Kitty Piercy
Betty Taylor, President
George Brown
Andrea Ortiz
George Poling
Mike Clark
Alan Zelenka
Pat Farr
Chris Pryor

Lane Transit District Board of Directors:

Mike Eyster, President
Michael Dubick
Greg Evans
Gary Gillespie
Dean Kortge
Doris Towery
Kim Young, Minutes Recorder

Absent:

Ed Necker

CALL TO ORDER AND ROLL CALL: Her Honor Mayor Kitty Piercy called the January 24, 2011, work session of the Eugene City Council to order at 5:30 p.m.

Lane Transit District Board of Directors President Mike Eyster convened the LTD Board meeting and called the roll.

WORK SESSION: WEST EUGENE EmX UPDATE

The Eugene City Council was joined by members of the Lane Transit District (LTD) Board of Directors, LTD General Manager Mark Pangborn, LTD Director of Planning and Development Tom Schwetz, and LTD Senior Project Manager John Evans, who were present to provide information about the West Eugene EmX Extension (WEEE) project and to answer council questions.

Mr. Schwetz and Mr. J. Evans shared a PowerPoint presentation, *West Eugene EmX Extension Update*. The presentation highlighted the policy direction that drove the project, the recommendations of LTD advisory committees and community organizations, mitigation concepts being considered for the route, key performance measures, anticipated capital and operating costs, travel time comparisons, ridership projections, and the Locally Preferred Alternative selection process.

Speaking to the recommendations of the advisory committees and community groups, Mr. Poling, a member of the LTD EmX Steering Committee, reported that he supported forwarding the West 11th/13th alternative as well as the Transportation System Management (TSM) alternative. He was unable to support the Committee's final action since the Committee did not forward TSM as well.

Mr. Pangborn highlighted the information in the presentation that indicated that because of \$8.3 million in federal funding for bus replacements, LTD should be able to maintain its current service level and add the WEEE without incurring deficits or requiring service reductions.

Mayor Piercy suggested that the presentation lacked mention of State and local goals related to carbon emission reductions. She anticipated that carbon levels would “move dramatically” with the full establishment of EmX. Mr. Schwetz responded that LTD had done some analysis of that issue and more would occur through the Environmental Impact Statement. He acknowledged that current methodologies to determine corridor-level greenhouse gas emission savings were not well-developed, but LTD had research that suggested that transit was a strategy to reduce greenhouse gas emissions both at the corridor and regional level. He cited reductions in vehicle miles traveled (VMT) and transit passenger loads as indicators of savings.

Mr. Kortge emphasized Mr. Pangborn’s point about the extra money that LTD received for buses. That funding removed some operating costs and affected the estimates for EmX. He said that the estimates had changed because of such factors.

Mr. Dubick emphasized that reducing VMT, congestion, and greenhouse gas emissions were of importance to the Board, and the Board perceived EmX as a way to achieve those goals.

Mayor Piercy acknowledged that LTD was working to decrease the negative impacts of the route on businesses and residents, but she did not want LTD’s efforts in that regard to work against the goal of achieving a viable public transit system. She was pleased to see that even with mitigation, the buses would run on dedicated lanes on 75 percent of the route, which was an improvement over both the Franklin and Gateway EmX routes.

Ms. Taylor said that she determined from Mr. Pangborn’s comments that the information generated by LTD was corridor-specific, and he did not know for how long the data would still be valid.

Referring to the committee and community recommendations, Mr. Clark noted the West Eugene Collaborative (WEC) position that it was not an option to maintain West 11th Avenue as it was currently configured. The WEC envisioned that the road would be rebuilt as a different sort of thoroughfare and that land uses in the corridor would fundamentally change. Currently, businesses along the corridor were auto-dependent and thus dependent on the current road configuration. Mr. Clark also noted that the Eugene Area Chamber of Commerce had pledged to work to ensure that West 11th Avenue businesses and property owners were not adversely affected by the route. That raised the question of the larger vision for West 11th Avenue and what would happen to those businesses. He acknowledged that the issue was one for the council to resolve.

Mr. Gillespie pointed out that the WEC had stated that it was not an option to maintain the road as a congested retail avenue. He said that there was no intent to eliminate retail uses in the corridor. In response, Mr. Clark pointed out that through the Envision Eugene process, the City had looked at a concept of the future of the corridor, and there was discussion of multi-story businesses close to outside edges of the core, which he interpreted as meaning that existing businesses along West 11th Avenue would change.

Responding to Mr. Clark, Ms. Ortiz said that was not what she heard at all. She believed that LTD was definitely listening to the affected businesses and attempting to address their concerns through mitigation. She never heard anyone say that LTD was trying to eliminate those businesses, change the faces of businesses or replace the existing businesses with multi-story buildings. She believed that people understood that there was value in maintaining existing businesses, although they were not thriving as they once were due to the economy. She thought the EmX route would augment those businesses. Ms. Ortiz shared what she had learned in Cleveland, saying that Cleveland had

established kiosks in association with routes where businesses could deliver products for pick-up by riders.

Mr. Eyster reported that several Board members participated in a listening session facilitated by Eugene Consensus-Building Consultant Bob Chadwick to hear the concerns of the opponents to the West 11th Avenue route. Mr. Eyster acknowledged the risks that business owners face from such projects and reported that a representative of "Our Money Our Transit" had recently spoken about the extent to which LTD staff have gone to mitigate potential damage to businesses. Staff had met individually more than 150 times with owners along the corridor. Mr. Clark expressed appreciation for that.

Mr. Clark asked if the City's vision for West 11th Avenue was one of a denser transit corridor with different businesses than were in place now, or was it to protect and maintain what was there. Mr. Zelenka asked Mr. Clark what his vision was. Mr. Clark indicated that he was inclined to support the No-Build option at the moment because of concerns that the system was too costly at this time and that the process was being rushed through. He also felt it was important to consider how decisions from the Envision Eugene process affected the question. Mr. Clark pointed out that the Council was talking about large-scale community changes, and he wanted to ensure that those changes occurred in the context of a larger vision. He believed that the plan LTD had developed was the plan it was asked to develop, but he was unsure that the Council and community had the appropriate conversation about what West 11th Avenue should be.

Mr. Pryor acknowledged that people felt the impacts of such a project now, while the benefits were realized in the future. It was challenging to have a conversation about the future when living in today, particularly when one was still trying to quantify the benefits of the project. He suggested that the City Council could help by discussing the future of West Eugene and transit's role in that future, and he believed that the work LTD had done in regard to EmX was essential to that conversation. He pointed out the vision of the WEC was not the only vision for the area. Mr. Pryor anticipated that the land-use conversation would happen next.

Mr. Zelenka commended the first phase of the EmX system, calling it a resounding success. He found it convenient and useful and said its ridership was "off the charts," and said that was why other communities were looking to Eugene-Springfield as an example. He believed that the Gateway route would meet or exceed the success of the Franklin route. He was impressed with the many public meetings that LTD staff had held and their receptiveness to changes.

Mr. Zelenka emphasized the importance of articulating the benefits of and need for the system, which he maintained was all about the future. He thought it was particularly important to acquire right-of-way for a future light rail system. He maintained that the benefits of the system were clear. He said the population and jobs in the corridor as well as the transformation he envisioned would occur along West 11th Avenue were all factors supporting the EmX route.

Mr. Zelenka maintained that over time, the entire community, particularly its transportation corridors, would grow denser. He envisioned the EmX system would realize travel time decreases that made it an attractive alternative to the automobile, and that its implementation would result both in reductions in green house gas emissions and in lower operating costs.

Mr. Zelenka went on to state that the system would result in no reduction in transit services, no financial deficits would be created by the system, and that EmX was the most cost-effective of the options examined. He commended the mitigation that LTD staff had done and said that they had listened to the community, no matter what anyone said. He asked how many trees LTD would plant along the new route. Mr. Schwetz indicated that LTD would plant more trees than it removed. Mr. Zelenka spoke enthusiastically about the physical changes that EmX had produced on Franklin

Boulevard and along the Gateway route. He considered the Gateway route much more attractive than it had been before. Mr. Zelenka pointed out that in spite of the dramatic reduction in property acquisition, the proposed route would still run in dedicated rights-of-way 75 percent of the time. He also commended LTD's plans to stage construction.

Mr. Zelenka agreed that the current businesses along West 11th Avenue were important and should be taken into consideration. He suggested there were mitigation mechanisms and funding that could deal with concerns. He pointed out construction would not occur until 2014-15, and he envisioned that the economy would have improved by then.

Mr. Zelenka did not believe any businesses along the other routes had failed because of construction. He determined from Mr. Pangborn that LTD did not have to resort to eminent domain on the other system phases.

Mr. Zelenka suggested that businesses along West 11th Avenue could make eminent domain a self-fulfilling prophecy, or they could negotiate with LTD.

Mr. Poling recalled that a previous City Council had viewed schematics of the corridor that included several mixed-use centers identified along the route, none of which had come to fruition. He observed that in his eight years on the Council, only one of the identified mixed-use centers had been built.

Mr. Poling endorsed the recommendation made by resident Jozef Siekiel-Zdzicnicki that the decision about the West Eugene EmX route be incorporated into the Envision Eugene process.

Mr. Farr suggested that LTD's ridership statistics did not take into account the volunteers that used the bus to reach Food for Lane County.

Mr. Farr suggested to Mr. Clark that the WEC vision for West 11th Avenue was a long-term picture, and EmX was a long-term solution for travel on the road.

Mr. Farr suggested that more people in Bethel would be able to access a system that turned around at WinCo. He asked what process LTD went through to select West 11th Avenue, as opposed to Highway 99, which had more residential neighborhoods. Mr. Pangborn said that the Eugene City Council had selected West 11th Avenue as the next corridor for LTD to pursue.

Mr. Farr referred to the fact that West 11th Avenue also was State Highway 126 and recalled that Highway 126 was to have been relocated to the West Eugene Parkway, a project that the Council terminated. That meant Highway 126 would continue to be on West 11th Avenue. He understood that the EmX system was intended to complement the parkway and asked how Eugene could change the vision for EmX on West 11th Avenue now that Highway 126 would not be relocated. He asked LTD staff to respond to that at a future meeting.

Mr. Farr said that he had heard many business owners along West 11th Avenue complain that they had not been able to provide input earlier in the process.

Mr. Brown asked questions clarifying the location of dedicated lanes along the route. Mr. Pangborn indicated that current maps of the route could be found on LTD's website, and LTD staff would provide paper copies of those maps to the Council. Mr. Eyster added that staff continued to work on route revisions with input from the businesses.

Mr. Clark suggested that the route would better serve neighborhoods, manufacturing, and employment centers that were less retail oriented than a corridor dominated by retail uses. He asked

if a Highway 99 alignment that reached into Bethel would serve more neighborhoods and employment centers. Mr. Dubick suggested that the Council needed to factor in that retail establishments had employees that needed an economical way to reach their places of employment. Mr. Pangborn did not think that people realized how many people live in high-density housing within a short distance of West 11th Avenue. He stated his belief that LTD needed to serve both employment centers and residents where they lived, and that such routes needed to have good connections to other parts of the community.

Ms. Towery suggested that discussion of the transit-dependent population was missing from the conversation. She said that much of the high-density housing mentioned by Mr. Pangborn was low-income housing, and she believed that an EmX route would make it possible for those people to be connected to the community more effectively and efficiently, which would add positively to their quality of life. She said that LTD worked to connect to those individuals who lacked the money to place signs and four-page advertisements in newspapers. She maintained that the West Eugene EmX route was an important corridor for those reasons. Mr. Clark agreed. He emphasized his question was on the merits of the routes relative to one another. He wanted to ensure that the community was receiving the appropriate service with the appropriate tools.

Mr. Gillespie emphasized that LTD was building a system, and each route deserved a systematic approach. As a transit-dependent person, he found EmX important because he did not have to know the schedule, and the most time he would have to wait for a bus during the day was ten minutes. He emphasized the importance of such frequent headways to those shoppers who sought to visit West 11th Avenue on their lunch hours and other short periods of time.

Mr. G. Evans believed that community growth in West Eugene during the last 20 years had changed travel and development patterns and had placed pressure on existing arterials. He believed that transit planning had lagged behind other types of planning, with consequences for LTD travel times on corridors such as River Road. He maintained that West 11th Avenue had changed dramatically over the past few years and it would continue to change. He said that if LTD did not act now, congestion would increase in the corridor because of planned growth in the west and north. He predicted deep trouble in the future. He stated his belief that the previous council was wise to select West 11th Avenue as the next EmX route. He believed that people are avoiding West 11th Avenue for the most part; however there are times they are not be able to avoid such routes to get back and forth. Mr. Evans added that by stating in the final analysis, the only real solution was a transit solution.

Ms. Ortiz emphasized the importance of transit to a healthy viable community.

Mr. Poling referred to the summary of operating costs provided to the Council and LTD's assertion that it was able to offset the operating costs of EmX by delaying the purchase of buses and equipment. Mr. Pangborn clarified the amount involved was \$500,000. Mr. Poling asked how LTD proposed to fund operating costs in the future. Mr. Pangborn said that LTD had projected out to eight years and anticipated that its budget would be balanced. The projected budget shows that the District would not have to cut services while adding the West Eugene service.

Responding to a question from Mr. Farr, Mr. Pangborn clarified that LTD had not selected a No-Build option for Coburg Road; Coburg Road was still a critical link in the EmX system. He said that at the time that Coburg Road had been under discussion, LTD was considering both the Gateway route and the Coburg Road route. As the process went on, more controversy about Coburg Road was raised while the Springfield City Council had indicated that it was ready to move forward with Gateway. Subsequently, LTD began to build the Gateway route and put the Coburg route on hold because it could only build one route at a time.

Mr. Poling clarified that at the time of the decision to postpone Coburg Road, the Eugene City Council had required that 80 percent of the route be in dedicated lanes, and it had been impossible to physically achieve that level of dedication. The Council had then decided to drop the EmX route on Coburg Road.

Mr. Zelenka contrasted the jobs that existed in the West 11th Avenue corridor as opposed to the Highway 99 corridor and suggested that the numbers were not even close. He was puzzled by discussion of the Highway 99 route. He did not think that it was a matter of which route; he said both were needed, as was the Coburg Road route. Mr. Zelenka said that the decision on those routes was made long ago. He hoped that the Highway 99 corridor was constructed next. He did not want to start all over again given the time it took to reach this point. He feared further delay would delay construction by a decade. Mr. Zelenka questioned if the Highway 99 extension would be constructed at all if the West 11th Avenue option were stopped.

Mr. Eyster recalled that the TransPlan had called for a regional transportation system, and all of the EmX corridors were identified in the TransPlan. He maintained that it was a question of when EmX would be implemented, not if EmX would be implemented, and in what order the corridors would be built. ~~He did not want to hear further discussion of reordering the routes.¹~~ He said that the City Council had come to the LTD Board in 2006 to request that it proceed with the West Eugene route. It was now 2011, and he did not think now was the time to rethink the corridor selection. Mr. Eyster concluded by stating that the system was based on community values.

Mayor Piercy stressed the importance of the local elected and appointed officials acting with one voice to secure the needed federal funding to construct the WEEE. She recalled discussion of LTD proceeding with EmX on both Highway 99 and River Road to ramp up construction of the system. She acknowledged that it would be a challenge. Mayor Piercy suggested that the Gateway phase represented a step forward because then EmX would begin to look more like a whole system. She believed the West 11th Avenue extension would really help the system function as such.

Mr. Poling stated that he did not interpret the Council's questions as suggesting a need to stop what was occurring now, but rather as seeking clarification of why the system was moving forward in the order that it was.

ADJOURNMENT: Mr. Eyster adjourned the LTD Board of Directors at 7:23 p.m. Mayor Piercy adjourned the work session at 7:23 p.m.

MINUTES OF LANE TRANSIT DISTRICT BOARD OF DIRECTORS
EXECUTIVE SEARCH COMMITTEE MEETING

January 26, 2011

Pursuant to notice given to *The Register-Guard* for publication on Saturday, January 22, 2011, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Executive Search Committee was held on Wednesday, January 26, 2011, in the Conference Room at 3500 E 17th Avenue, Eugene.

Present: Michael Eyster, Board President
Michael Dubick
Greg Evans
Gary Gillespie
Doris Towery
David Collier, Senior Human Resources Analyst
Susan Oldland, Administrative Secretary, Human Resources/
Recording Secretary
Elaine Lees, Generator Group

Present by Phone: Enrique Washington, Generator Group
Will Scott, Generator Group

CALL TO ORDER: Mr. Eyster convened the meeting at 5:19 p.m. and called the roll. All Board members were present; two members of the Generator Group joined the meeting via conference telephone.

GENERAL MANAGER MODELING PROCESS:

Ms. Lees explained that the objective of tonight's meeting is to attain a consensus of the underlying general manager competencies desired by the Committee. This information will go into a success profile that she will deliver to the Committee next week. Once the profile has been developed, the executive search can have a more highly targeted focus. This process also improves Generator Group's performance and provides a better experience for the candidates. She continued with some background information on the process and described the underlying components of performance and the science and history behind studying people in their jobs.

Ms. Lees explained that there are key components that contribute to high job performance. First, decide the desired results, or what the person will be doing; next establish how the person will go about doing those things; finally, determine who will do the job in context of the environment. She gave an example of this process using Starbuck's, including how they hire their baristas and the environment they create for each location. In this context, she explained that every job has about 20 underlying competencies, but the difference between high and standard performance is only six or seven of these competencies. She explained that it is the Committee's job tonight to determine these focused competencies, and that they will do so through a series of exercises designed specifically for this reason. The final result will be a list of competencies that will determine the type of person best fit to be LTD's next general manager.

Ms. Lees began this process by clarifying desired outcomes for the LTD general manager search. To determine these outcomes, she explained that the organization's mission statement must be clear. Then its goals (or how it succeeds in its mission), and what the general manager is responsible for in context of LTD's mission and goals, also must be clear. After Ms. Lees listed the mission statement and goals, she walked the Committee through the process of determining the general manager competencies. Of the goals listed, the Committee agreed that the general manager is held responsible for: providing financial stability; maintaining open and clear communication with the Board (no surprises); effectively managing the entire organization, as evidenced by employee attraction and retention, quality of customer relationships, and labor relations; serving as a resource to other community leaders; providing a positive face for the organization; implementing the vision of LTD by creative and innovative solutions, and growing the organization to meet needs of the community's ridership in the context of the 20-year plan.

Ms. Lees asked if the general manager will be held accountable for implementing the 20-year plan.

Mr. Dubick clarified that the general manager needs to be the keeper of the organization's vision and is ultimately responsible for it.

Mr. Evans agreed and added that the person needs to be adaptable and nimble to be able to respond to conditions.

Mr. Towery added that the person needs to anticipate what's coming.

Mr. Eyster pointed out that LTD provides far more service and resources beyond public transit, and he explained that LTD strives to be the go-to organization for other agencies and entities in the region on land use and other issues.

Ms. Towery agreed that LTD's expertise goes beyond being a transit system, and added that is a regional problem-solving agency that improves the quality of life and health in the community.

Mr. Evans added that regional planning efforts tend to consider transit as an afterthought in their systems development.

Ms. Lees summarized all of the Committee's points and added that LTD is part of the regional movement in land use and economic development and provides expertise to the community.

Ms. Lees moved the competencies exercise to the next step. In this stage, the Committee broke into small groups with a deck of competency cards, also known as a competency dictionary. She explained that the cards delineate what effective performance is, and help organizations look at results. She described how the break-out groups will use the cards to determine those competencies most important to them, then combine the results for a consensus decision by the full Committee. This process took about 40 minutes.

Ms. Lees then tallied each group's desired competencies. General Manager Mark Pangborn had completed the exercise earlier in the day, and his list was included in the

tally. Ms. Lees pointed out those competencies that Mr. Pangborn and all of the small groups chose, and one competency was unanimously chosen: political savvy. She relayed some explanation why Mr. Pangborn chose certain competencies, then pointed out the other competencies chosen most often by the Committee.

Ms. Lees asked the Committee to relay why other leaders in the community did not work out well, including one of the past LTD general managers. Ms. Towery stated that these leaders were lacking political savvy and relationship building, and specifically that the LTD general manager appeared aloof and disengaged. She also pointed out that his successor was calm and genuine, a good listener, and well established in the community.

Ms. Lees reviewed the 12 competencies chosen by the Committee: communicativeness, composure, conflict management, drive and energy, high standards, influence, integrity, political savvy, problem-solving, strategic thinking, results oriented, and team management. She noted that of these 12, the Committee keeps coming back to political savvy, strategic thinking that incorporates vision, mission, passion, and a management style that is not slick or bold and includes a great deal of composure. With this summary, Ms. Lees declared the exercise complete. She stated that her deliverable will be a success profile that has requirements, outcomes, underlying competencies tied back to results, and how it all will be measured. From this document, the guides for all the interview panels will be built.

ADJOURNMENT: Mr. Eyster adjourned the Meeting at 7:27 p.m.

MINUTES OF JOINT PUBLIC HEARING WITH
EUGENE CITY COUNCIL
METROPOLITAN POLICY COMMITTEE
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

Tuesday, February 8, 2011

Pursuant to notice given to *The Register-Guard* for publication on February 3, 2011, and distributed to persons on the mailing list of the District; the Eugene City Council, the Metropolitan Policy Committee, and the Lane Transit District Board of Directors held a public hearing on Tuesday, February 8, 2011, beginning at 5:30 p.m., at the Hellman-Wilder Room of the Hilton Eugene Hotel and Conference Center at 66 East Sixth Avenue, Eugene.

Present:

Eugene City Council

Mayor Kitty Piercy
Betty Taylor, President
George Brown
Mike Clark
Pat Farr
George Poling
Chris Pryor

Absent:

Andrea Ortiz
Alan Zelenka

Lane Transit District:

Mike Eyster, President
Greg Evans
Dean Kortge
Ed Necker
Michael Dubick

Absent:

Gary Gillespie
Doris Towery

Metropolitan Policy Committee

Hillary Wylie, Chair
Jay Bozievich
Sonny Chickering
Greg Evans
Mike Eyster
Sid Leiken
Christine Lundberg
Sheri Moore
Kitty Piercy
Mark Pangborn, ex officio member,
and LTD General Manager
Jon Ruiz, ex officio member
and Eugene City Manager

Absent:

Gino Grimaldi
Alan Zelenka
John Thiel
Liane Richardson
Don Schuessler

WELCOME, INTRODUCTIONS, AND ROLL CALL – Mayor Piercy welcomed everyone and introduced the members of the Eugene City Council.

Ms. Wylie welcomed those present and asked members of the Metropolitan Policy Committee (MPC) to stand and identify themselves.

Mr. Eyster welcomed everyone. He introduced the Lane Transit District Board members and called roll. He explained that all three bodies were present at the public hearing because all of the bodies would have to approve any action on the proposed West Eugene EmX, and it would be helpful for all of the representatives to hear the same information from the public.

CALL TO ORDER – Mayor Piercy called the Eugene City Council to order; Ms. Wylie called the MPC to order; and Mr. Eyster called the LTD Board to order.

JOINT PUBLIC HEARING: WEST EUGENE EmX

Scott Bocci, Rockridge Loop, Eugene, stated his belief that mass transit was necessary but EmX was not a good use of tax money and right-of-way resources. Most arguments he heard in favor of EmX were actually stronger arguments against it, as follows:

- 1) It would increase ridership. It would increase ridership by only 4 percent through 2031; while it was estimated that the population would increase by 10 to 12 percent during that same period, resulting in a loss of market share. This did not justify the investment.
- 2) It would be good for business. He has owned Grays Garden Center for nine years, and no bus rider ever made a significant purchase at his business. He has had a bus line outside of his business and never had a single customer from the bus enter his business.
- 3) The EmX lanes would be disruptive. EmX would take half of the parking from Grays and would force the business to close.
- 4) EmX is a good investment. Current cost estimates of \$80 to \$90 million means \$150 million. The bus is not practical for a large percentage of the population. EmX uses lanes, tax dollars, and a large amount of resources to serve a small percentage of the population while it is not significantly faster than a standard bus.

Julie Daniel, (address not given), stated her support for EmX expansion. She identified herself as the director of a non-profit located close to a bus line, and said many of their clients come on the EmX. There are differences between rapid transit and regular bus service. Only a small percentage of the community will switch from cars to buses. Rapid transit offers a different alternative, and gives people the opportunity to behave as car riders or bike riders because the EmX will come every 10 minutes, allowing spontaneity to ride the bus. There has been an increase in ridership in other communities where rapid transit had been adopted. It is not hard to get people to change to rapid transit. It is important to think about a solution that would solve a problem and serve the community for many years. West 11th Avenue will change, and it is important to install the infrastructure for the future. This is a sustainable, innovative solution, which removes barriers to public transit and should be looked at. From an environmental perspective, it would reduce the carbon footprint by getting people out of their cars.

Kelly Lovelace, Morningstar Road, Pleasant Hill, has been a business owner in Lane County for many years. He has employed many people and paid the LTD payroll taxes. He is not against the city bus as it is good for some people. EmX is a waste of federal tax dollars. Local officials should consider that in making their decision. He does a lot of business in West Eugene and hauls equipment that he could not haul in a bus. The businesses buy and use property in accordance with city ordinances. Now businesses are being told that the parking lots they were required to have, do not count. The rules were changing and people do not like it. The community cannot afford the system. We should take the system that we have and make it more efficient.

Casey Dresser, Robin Court, Creswell, reviewed her experience with EmX as the owner/operator of Springfield Cleaners, which has been in her family since 1963. EmX has been frustrating and devastating. It was four-and-a-half years ago when she learned that the EmX line would eliminate all of her parking on Pioneer Parkway. Sixty percent of her customers parked on Pioneer Parkway. She took the information to the City of Springfield, and asked them to reconsider the project. LTD did accommodate the business and provided some parking spaces. In 2010 her corner turned into a demolition site, and for weeks there was no parking near the cleaners. Numerous customers did not patronize her business during that time. There was a lot of heavy equipment, and Main Street and Pioneer Parkway were torn up. Customers drove by and sales dropped. She asked LTD who would

compensate her, and she was told that the loss was part of the cost of doing business and was her problem. She said she should not have had to carry that loss, and that it was LTD's cost of doing business. She received no help from the City, the County, nor the Governor's Office. Three stores on her block went out of business during the construction period. It would be a nightmare for the businesses on West 11th Avenue. A year has passed since construction ended on Pioneer Parkway, and her business has not come back.

Lt. Robert Powell, Mueller Road, Oregon City, recommended the No-Build option. The intent of EmX appears to have a predetermined outcome. The money is not in existence. The King County Transit System saw no fuel savings in a one-year study. Articulated buses were not good in snow and other inclement weather. He used the standard city bus in Oregon City, and it was working well. The estimate that \$400,000 would be recovered over 20 years was not realistic. Taxpayers would be forced to cover costs. The West 13th Avenue route invaded the neighborhood. West 11th Avenue could be rebuilt for one-third the amount of money. EmX was not sustainable. Private vehicles were becoming more fuel efficient. He said he would provide evidence for his position.

Stefan Kwiatkowski, West 16th Avenue, Eugene, displayed a graph to the public officials. He stated his opposition to No Build. In 2050 costs to maintain same frequency will take off like a rocket for the West 13th Avenue project. He feared the LTD system would turn into a system similar to the Bend, Oregon, system. The No-Build crowd said that it was a waste of taxpayer money. If we did not take the money, it would go to Alabama; so we might as well take it. It was foolish to reject the gift. BRT is quicker than the regular bus because the driver does not collect fares and drivers can influence traffic lights. He said he rides the West 11th Avenue buses, and they are always full. People in wheelchairs are often turned away because all of the wheelchair bays are full. He is boycotting the businesses that are involved in the No Build campaign. The community will shoot itself in the foot by going with the No-Build option. He observed that there is no one in the No-Build crowd attending tonight's public hearing that is under 30 years old.

Pat Hocken, West 11th, Eugene, representing the League of Women Voters, said that the League's office is located in the area being studied for the EmX route. Bus rapid transit is essential for Eugene's metropolitan area. The League takes positions on issues only after it has researched and discussed them. As part of the League's research on EmX, about 50 members toured route alternatives and rode on EmX in the Franklin corridor. BRT has been a key component of the regional transportation plan since 2001 and has received a comprehensive review during the process. The Franklin and Pioneer Parkway EmX lines provide a clear illustration of the benefits to the community. The League supported an extension from downtown Eugene to West Eugene. LTD has provided an extensive public outreach program and has worked diligently with property owners, residents, and with other interested citizens to mitigate the impacts of the proposals. The process has been thorough and open. The League favored the West 13th Avenue to West 11th Avenue option. The projections for this alternative, when compared to the No-Build alternative, showed a 49 percent reduction in the estimated time for a round trip in 2031 and an 11 percent reduction in automobiles for that corridor. The alternative would dramatically improve ridership and reduce operating costs. The League supported the alternative even though it would remove on-street parking in front of the League's offices on West 11th Avenue. The City of Eugene adopted a policy designed to improve access for pedestrians and transit riders by requiring buildings to be built practically on the street. This has created barriers for the right-of-way for EmX. She asked the City to review that policy. The community has a wonderful opportunity to continue to develop the BRT system.

Jim Wilcox, West 31st, Eugene, Director of Bike Lane, said the group he represents supports the West Eugene EmX expansion because they believe that in order for more people to bike, it needs to be easier than driving. When multi-modal transportation, such as biking and mass transit, is integrated, more people bike. There is \$80 million spent in Lane County on gasoline per year, and that money leaves the community and is not available for the local economy. When people have more money in their pockets, they are more willing to spend it on education. The multiplier effect means that every dollar kept in the county is spent many times over. The Chamber of Commerce determined that for every dollar spent, \$3.00 goes into the local economy. If 10 percent of the \$80 million stays in the county, the county will benefit. His experience with EmX has enabled him to extend his cycling. His 78 year-old mother lives at the Olive Plaza Apartments, and EmX gives her more access and freedom. He and his mother support EmX.

Donald Peck, Spyglass Drive, Eugene, is the owner of a building at 2911 West 11th Avenue, the site of Papa Murphy's pizza. The property owners on West 11th Avenue have said all along that they supported buses on West 11th Avenue but that they did not support EmX buses or the plan. EmX would make the congestion on West 11th Avenue worse than it was now. The group disagreed with the financial feasibility of widening West 11th Avenue at this time. Seventy million dollars would come from the federal government and \$30 million would come from the State lottery funds. The lottery funds were used primarily for education. The need for EmX has not been proven. There are not many cars in the parking area by Fred Meyer for those who rode the bus. He did not see the need for EmX on River Road. There would never be a need for a bus for 60 people. LTD was funded by payroll taxes. EmX would force some of the existing business to go out of business, and buildings would be torn down.

Eric Gunderson, Dukhobar Road, Eugene, lives in west Eugene and is a local business owner. He travels on the bus on West 11th Avenue daily and supports EmX. All transit systems are built with tax dollars. Without EmX, there would be more traffic and eventually there would be a need for more traffic lanes for cars, which would result in loss of private property along the roadway. This was not about spending tax dollars on EmX, but about making smart decisions for our transportation future. We could choose more lanes for cars and more signals at intersections; or choose a diverse transportation system that is innovative, cheaper to operate than cars, and more economical than the current bus system. Other cities that have built diverse transportation systems and engaged in smart growth have made real changes. The population of Portland drove 28 percent fewer vehicle miles per year than the national average by choosing to ride buses, bikes, rail, and street cars. Businesses in Portland seek transit routes. Eugene is not Portland but could benefit from less traffic. There are many great businesses along West 11th Avenue. It is home to many non-profits, and offers a diverse range of business and industries, schools, churches, and recreation centers. It is the gateway for travelers from the west and the airport. EmX is the right choice for the benefit of everyone in the western portion of the city. He asked everyone to reopen their thinking and consider 20 years from now when there would be more people and more traffic. He urged support of EmX in West Eugene.

Mark Callahan, Mahlon Avenue, Eugene, is a resident, voter, and taxpayer in Eugene. He is against the building of EmX in West Eugene. He is not against transit service for 3 percent of the people. But the plan to spend \$100 million to build a system that would struggle to operate does not make sense. The community cannot afford to gamble by embracing the mentality that *if we build it, they will come*. Our schools are closing, teachers are losing their jobs, and local unemployment has remained in double digits in the continuing crippling recession. By eliminating routes and cutting stops, fewer people would use the system. Seventy million dollars from the Federal Transportation Administration (FTA) and \$30 million from the State would require further earmarks and need to be scrutinized. Lottery dollars

support schools and economic development. He has two daughters in the 4-J schools, and when he buys a lottery ticket, he wants the money to go to schools and not EmX. The alternatives analysis is full of errors.

Kevin Prociw, Williams Street, Eugene, member of Lane County Citizens for Responsible Government, uses the bus to go to work regularly. He stated his support for EmX, noting that it has many good aspects. It looks cool and sleek and has minimum wait times, but there are many unanswered questions. He questioned how operating costs could be less than traditional service since the buses were costlier to purchase and they were more expensive to operate. He had observed the Gateway route which carries only 10 passengers during non-peak hours. He questioned projections for ridership. Routes, especially the Breeze service, have been cut. He is concerned about ridership of the current system through the West 11th Avenue corridor, which was minimal during non-peak hours. He questioned LTD's transparency, noting questions on its Facebook page went largely unanswered. This is a dividing issue in the community, and he encouraged a "no" vote. He said we should take more time to work out the details and achieve success in the community.

Elaine Zablocki, Ferry Street, Eugene, is a private citizen who is getting older. She will drive less in the future, and expects the cost of gas to go up. She will not buy an electric car. She asked the business people on West 11th Avenue to please think about what would happen if one-third of their customers were no longer driving. She bought plants from Grays and brought them home on the bus. She suggested that in the future, buses should accommodate people who get on buses with shopping carts. She wants to see more stores have delivery services, which presents a private enterprise opportunity for businesses. She said the blue van provides transportation to the airport and wants to see that same service to Valley River Center and Fred Meyer.

Rusty Rexius, Panorama Road, Springfield, stated his support for EmX. He supports the many challenges in providing this important service. People are concerned with property rights, business interruptions, and operational costs. LTD has worked diligently to address those concerns. In the long term, the community will be faced with a growing population with confined space to house and employ people. Those challenges can be met. The greatest challenge will be to figure out how to move a growing population reliably, effectively, and efficiently. It is important to invest in a public transportation system, which helps meet housing and employment needs. It is important to develop a transportation corridor, and rapid transit is an important element of the corridor. A dense and livable downtown has long been a goal of the City. EmX will help make that become a reality. There are many people who will continue to live on the edges of the city and will need to drive. A rising student population and successful business recruitment needed a viable transportation system.

Jack Meacham, West 28th, Eugene, rides and supports EmX. It is important to think in terms of quality of life for the future. Eugene's population will increase in the next decade, and traffic congestion will be bad in 2020. Cars are getting more expensive for families to purchase and maintain. The cost of gas will go up, resulting in gas shortages. In a decade, substantially more Eugene residents will have to rely on public rapid transportation, and using the bus will become a necessity for many people. Decades ago many people thought covered wagons were sufficient to move people and goods, and railroads were a waste of tax money. More recently, many people thought slow, two-lane highways were sufficient; and many of those cities were by-passed by the interstate highway system. The automobile age is coming to a close. Without quality public transportation, Eugene will no longer be competitive with other cities. It is important to extend the competitive quality of life to attract business and jobs to the community.

Larry Reed, Scenic Drive, Eugene, stated his support for EmX. He had written a letter to the City Council and the Envision Eugene group. He asked the City Council to read the letter again. LTD was not building rapid transit to serve single-family, detached housing neighborhoods. EmX was not designed to maintain the status quo, but for 20-30 years in the future. He asked what was the alternative, and if the West Eugene Parkway or another parkway project would be revisited. He asked if a much larger expansion of the urban growth boundary (UGB) and continuation of single-family, low-density residential development in farm land and other resource land would be lobbied for. He did not think the community would come up with a different solution. EmX is not requiring business to change how they do business today, but the businesses should be thinking about the future. He encouraged the officials to support BRT.

Laura Potter, (address not given) Director of Business Advocacy for the Eugene Area Chamber of Commerce, stated that she represented the Chamber. The Chamber has been involved with transportation efforts in the community that resulted in moving forward with EmX as a key solution for long-term transportation. While many people question whether EmX is the right choice, the Chamber believes it is. The Chamber believes that a mass transit system like EmX is crucial to the long-term economic development of the community. The Chamber supports the West 11th Avenue /West 13th Avenue route. The Chamber expects that businesses will be dealt with and compensated fairly.

Bill Ward, Eugene, lives in Eugene for the quality of life, which could not be valued by being cost effective. All strata of income have a good quality of life, which is due to mass transit. If we do not build mass transit now, in the future, cars will be stuck in traffic jams.

J. P. McNutt, Willagillespie, Eugene, stated that he is not against mass transit but is against EmX. The country is in a recession, and LTD wants to spend \$100 million to build EmX. LTD lost \$3 million last year, laid off bus drivers, and cut routes. It has not been proven that EmX is needed for the future growth of Eugene. EmX is not the best way to do that. Existing buses can adapt easily to any increases in population, ridership, and route changes. West 11th Avenue is filled with cheaply constructed, unattractive buildings. It is not a residential neighborhood. An EmX route to nowhere would destroy many of the businesses, limit access, and obstruct traffic. People will avoid the route and get used to going someplace else. The City Council voted down the West Eugene Parkway, which the citizens passed twice. The citizens of Eugene added up the costs and decided that EmX would cost too much. He owned property on the bus route, and the business leasing it did not renew the lease because of EmX.

Bob Johnson, West 16th Avenue, Eugene, stated that he is a resident of Eugene but not a business owner. He strongly supports public transit but does not support the proposed EmX route in West Eugene because of the costs and impacts to small business owners on the route. Businesses would lose 20 percent of their parking. Each segment will increase in cost. He said the community should consider the EmX proposal minus dedicated lanes as well as using more buses, recessed loading stations, and articulated buses. He said that the LTD radio ads addressed congestion on West 11th Avenue using a state report for documentation. The state report said that a future choke point would be caused by commuters traveling from Veneta to Eugene to work. LTD already had a route to Veneta that should be addressed. He did not think commuter congestion would be solved with buses.

Mark Rabinowitz, Eugene, said that the decision for this project of providing better transit would not be made in this room but by the Federal Transit Administration. Both sides of the issue have merit. LTD has not considered the increase in oil prices in its cost estimates. The cut service and raised fares will not encourage people to use the service more. The Lane

Council of Governments consistently does poor planning with our money. They exaggerate the rate of traffic increase. The oil used in Oregon comes from Alaska, which peaked 22 years ago. He suggested that the Transportation System Management option be used. Peak oil should be taken into consideration in the Environmental Impact Statement for the project. State law requires integrating land use and transportation, but that was not done here.

Jeff Lozar, Eugene, stated his support for No Build. As a business owner, he has experienced a slowdown. He pays his tax contribution to LTD and thought he was funding buses. LTD took the money intended for buses and bought newspaper, radio, and billboard ads. This is a boondoggle project to spend the taxpayers' money. LTD is reaching into the taxpayers' wallets to tell the taxpayers what to think. The taxpayers are not stupid. He resents being told what to do via a public relations campaign. His opinion of LTD has been destroyed by the ad campaign because it shows how irresponsible LTD is with money that is supposed to be used to run buses. This is an irresponsible use of money, including paying for art projects and a Facebook page. He has accepted an offer to chair the Lane County chapter of Americans for Prosperity, which will train the silent majority.

Erin Ellis, South 32nd Place, Springfield, urged support for the No Build option of the Locally Preferred Alternative. EmX is a single mode improvement to the detriment of other modes of transportation. It is irresponsible for government to authorize any recommendation for the project that would spend millions of dollars of taxpayers' money and destroy private businesses. The LTD vision statement states that it wants to provide the "best transportation system available." However, it has cut 20 percent of basic bus service, while at the same time pursuing this project that would cost a lot. We need to take into account the No Build analysis for 2031 that assumes there will be no other transportation improvements for the next 20 years (which is unrealistic). She could not find data that shows greenhouse gasses will be down. She does not understand how using underutilized 60-foot buses will save money. LTD claims EmX will reduce traffic congestion, but Eugene has the best commute time when compared with other cities. Businesses located on West 11th Avenue take advantage of the consistent vehicular traffic as it represents potential customers. She asked people in the audience who supported No Build to stand. She submitted a list of signatures of those who opposed the project. The West Eugene EmX is a flawed plan.

Paul Conte, (address not given), spoke as chair of the Jefferson Westside neighbors and said he would submit written testimony after he received information previously requested from LTD regarding capital and operational costs. He asked the officials to review the information on the Jefferson Westside website, which compares data and assumptions for West 6th/7th Avenue and West 11th/13th Avenue. This analysis provides a scenario-based approach that is a realistic assessment of the alternatives. The basic difference is that the LTD focused on one additional route to the northwest. The analysis shows that the West 6th/7th Avenue route will have lower capital costs, lower operating costs, fewer negative impacts, higher ridership, and will be accessible by more people. The reasons for preferring the West 6th/7th Avenue route are overwhelming and will save \$30-\$40 million in construction costs and eliminate negative impacts to close residential areas.

Ruth Koenig, (address not given), said she was already older, and giving up her car for the safety of others. The American Association of Retired People reports that Eugene is friendly to the elderly population. LTD needs to think about boomers who are here. She used to use a bike to travel around the city for attending church and shopping, but is no longer able to do that. She uses the bus successfully to get downtown, to the art museum on campus, and to the hospital from the core of downtown. Environmental issues need to go to the top of thinking for the project. She is sorry for people who will lose money, but she wants good

rapid transit, and thinks EmX is phenomenal. She owns some property along the proposed route, some of which will be lost to the project, but she will have to make accommodations.

Jack Radey, Garfield Street, Eugene, thanked LTD for providing superior service. He opposes the West 11th Avenue EmX. He does not like government spending on bad ideas. The EmX project is based on projections, and he is hesitant to believe projections. He urged caution, noting the faster EmX service to downtown Springfield has resulted in cuts in other routes.

Pauline Hutson, Taylor Street, Eugene, represented residents for responsible transportation. She described public transportation in the Salt Lake City area, with a 100-mile long corridor. She expressed concern over children becoming homeless. There are too many planners, developers, and transportation people who need to justify their jobs to make money. LTD staff and Board members went to Washington, D.C., on public money. They are using public money on a public relations campaign. She asked if LTD has a commercial interest in development along the proposed route. Another hearing is needed. Eugene needs the right form of transportation.

Marjorie Scott, West 6th, Eugene, owns property at West 6th Avenue and Chambers Street. She opposes EmX because the plans and projections are flawed. The numbers are fluid and changing. A lot of money has been spent on educated guesses. Time is needed to match the timing of Envision Eugene. The mitigation process is a feel good process, with miles of right-of-way to be acquired. Property owners and small business owners had not had an opportunity to give their positions. She has only begun to fight.

Serita Angulo, (address not given), is a Springfield resident who has been impacted by EmX. She is familiar with mass transit and supports it. In Springfield, residents and businesses lost trees, and the road is closer to fences. LTD is a spin doctor. On the drawings it looked like many trees would remain but they had been removed. The communication was presorted flyers sent to residents rather than the property owners. She would have been involved if she had been informed. Others in her neighborhood also felt that they had not been informed. She encouraged residents of West Eugene to scrutinize information received. The outcome will be the same; decisions were already made and would not change.

Sue Scott, Grant Street, Eugene, lives and works in west Eugene. Six miles of trees will be cut down in the corridors, and the loss to wildlife habitat and food would be devastating. She said LTD mitigation plans should not be trusted. She does not think the loss of so many trees could be mitigated, and the threat of eminent domain will be used. The City and LTD will take the property for their plans. The West 11th Avenue option will impact all of the corridors to save six minutes on the bus. Another public hearing is needed. Eugene needed the right bus system with more, smaller buses everywhere. The lottery money should go to the schools.

David Wade, Villard Street, Eugene, is a resident of Eugene who uses LTD and EmX daily. He supports EmX. He said if people thought disabled and poor people are entitled to fast, frequent, reliable transportation, they should vote for EmX. If people are willing to leave their cars at home to reduce carbon dioxide and save money on sewers, roads, and signs; and if they should get fast, frequent transportation, they should vote for it. He said we should not wait for perfection and should not study the project indefinitely. He said that if the impact on business is sufficient to defeat 30 years of transportation planning, then there should also be no sanitary sewer. He thought there probably is not a viable alternative.

David Kleger, Golden Garden Street, Eugene, said that he had been riding the bus for more than 30 years. He rides on West 11th Avenue daily, and there is hardly a day when there are empty seats. People bang into him because they are standing, there is not enough room, and people will not give up their seats. He regularly sees people using walkers and wheelchairs denied boarding because the bays are filled, and the situation is getting worse. There is no source of funding to pay drivers and travel times have doubled in 30 years. There are regular problems with connections, with longer wait times in the afternoons. No Build is anti-transit and anti-customers.

Rich Inlove, West 4th Avenue, Eugene, moved to Eugene from a place where rapid transit is an afterthought rather than a forethought. If EmX provides solutions to problems for the community, there will be complete streets for transit. Complete streets will facilitate multi-use, which means rapid transit, vehicular transit, and bicycle transit. This will facilitate more business, and people will be able to spend their saved money on products at local businesses.

Edward Winter, Doane Road, Eugene, lives west of Eugene and takes the bus to the Fred Meyer Park & Ride. He would love to see EmX on West 11th Avenue. EmX is the perfect fix for Eugene's long-range plans. It will encourage infill development, support more multifamily housing, support economic development, bring jobs to the community, and reduce greenhouse gases. The community needs EmX. It will provide fast, efficient, accessible transportation to employees, students, and shoppers.

Art Robinson, Cave Junction, said Eugene is an outstanding city and home to an outstanding university. It has an excellent public transportation system, which needs to continue to improve. He said the community should consider changes for one or two years and not spend \$100 million for projections for 20 years from now. The country is short of money and is having trouble paying for social security, Medicare, and veterans care. The country needs to save money right now. The community may not need buses 20 years from now. Each community needs to do its part and consider how to solve the immediate problems at the lowest possible price. There are lots of other things that are important, and everyone needs to tighten their belts.

Lela Trope, Hayden Bridge Road, Springfield, said she has been to lots of meetings but has heard no bottom line numbers from LTD. The bus drivers do not like EmX and do not like the EmX vehicles. She agreed with Mr. Robinson that the country does not have the money now. Eugene is not growing at the rate of Seattle or Portland, and we are driving people out with taxes. The infrastructure funding being offered by Congressman Peter DeFazio for capital improvements will not fund maintenance and other improvement costs. The existing roads cannot handle the added weights.

Kono Wong, West 11th, Eugene, has been in business for 25 years and has a restaurant on West 11th Avenue. He stated his opposition to EmX expansion. Although it is good and prudent to look out 10 or 20 years, the reality of today's struggling economy makes it unrealistic. He is focused on having to lay off another employee, and whether he has enough money to pay rent. He is struggling to keep up on day-to-day expenses. EmX construction will be devastating to him. It will not be a temporary inconvenience for his business, but will be the final nail in the coffin. Businesses on West 11th Avenue are not doing well now. We should look at this project when times are better.

Jennifer Hayward, University Street, Eugene, stated her support for moving forward with EmX because it would provide quicker and more convenient access to West Eugene. She is

a Lane Community College student and believes that EmX would help students going to campus and result in less congestion.

Lisa Sansevere, West 18th, Eugene, had a letter. She has not talked with people who live and have businesses in West Eugene. She asked where the money would come from. The City of Eugene does not have the money. EmX should not be there. People should look at the West 11th Avenue choke and turning points. EmX will destroy Walmart and Target. Springfield went through the same thing. She advised that the deciding bodies should think before doing something. She does not want EmX, and she believes other people do not want it either.

Jon Hinds, 5th Street, Springfield, stated that he is a preschool teacher and LTD Budget Committee member. He supports EmX. The cost of doing nothing today will be more costly in 10-15 years. Increased traffic will require a costly realignment of West 11th Avenue. EmX will help with revitalizing the fairgrounds and provide kids in 10 years with a way to travel from the Gateway area to the fairgrounds without transferring. LTD is supporting economic development for the future of the community. He asked where Portland would be without light rail.

Betsy Payne, Jefferson Avenue, Eugene said that she would be impacted by EmX as she lives on Jefferson Avenue. She is concerned that 40 percent of the federal money is borrowed from overseas, creating debt for our children and grandchildren. Bus routes have been cut. The promises made to people in Springfield disappeared, and LTD will do what they originally planned. She said that buses cannot run in mixed traffic on Jefferson, and LTD cannot be trusted.

Carlis Nixon, Wilson Court, Eugene, stated that she lives in West Eugene and is a public transit user who supports spending tax dollars on transit. She stated her support for rapid transit but not EmX. She wants the City Council to ask LTD for an improved alternate version and add some stops. She said she became an opponent of EmX after using the Springfield EmX. The huge buses are wasteful, and the seating is uncomfortable. There is a need for express buses during rush hours and full-service buses. She questioned the development of wetlands and farmlands. She asked how LTD would pay for the operating costs of EmX. She does not want to lose the current level of LTD service.

Gary Wildish, Quince Street, Eugene, stated his support for BRT. It is important for the entire community. He has been impressed with what LTD has done. He has learned that solutions do not get smaller, but they get larger with time. Everyone wishes this BRT was not the challenge it is, but it is a challenge. If we do not take on the challenge now, it will not get easier and cheaper in the future. He is concerned with the impact on businesses and properties, and it is important to take them into consideration. LTD has done a good job to minimize impacts on businesses. Construction will be tough but it is important to move ahead.

Kim Sawyer, Greenview Street, Eugene, has a business on West 11th Avenue and stated his opposition to the West Eugene EmX. It will disrupt businesses in the area. His business can survive, but others will not. He will have significant decreases in business. His business is down since Hyundai closed. The Hyundai plant was paid for with tax breaks voted on by City Council. When the tax breaks were gone Hyundai disappeared. There is a need for a master plan. Two-thirds of one percent of the people of Eugene are represented in the Envision Eugene process. EmX will cause loss of business, creating problems for deliveries and garbage removal. LTD does not think all things through. He supports buses on West

11th Avenue and rapid transit. He questioned how LTD can afford to run six times per hour on West 11th Avenue with EmX when it cannot afford to run four times an hour now.

Bob Macherione, Brewer Avenue, Eugene, noted an earlier speaker who said, "You are against sanitary sewers if you are against EmX." He clarified that he was 100 percent for sanitary sewers in Eugene. It is obvious that LTD can put out a lot of numbers and efforts to influence people. He questioned how LTD reaches its numbers and said the books have been cooked. LTD uses a fleet average to show that the system will break even in 2021, which is not an accurate measurement.

Jozef Siekiel-Zdzienicki, Taylor Street, Eugene, said that he would finish Ms. Hutson's comments. She had said that Eugene needed the right transportation. LTD should do the right thing and let the schools have the \$30 million from the lottery. Speaking for himself, Mr. Siekiel-Zdzienicki said that TransPlan is just a plan. A plan for the transit corridor needs more detail. In addition to the proposed mitigation measures proposed by LTD, 15-foot easements are proposed for West 11th Avenue for dedicated lanes. LTD wants to build on Highway 99, River Road, West 18th Avenue, and West 30th Avenue. There should be conversations about all of the easements now so that they do not have to be discussed repeatedly in the future.

Kelley Blewster, 5th Street, Springfield, said that she uses EmX daily and pays employer payroll taxes that support LTD. She supports EmX, especially with the West Eugene extension. The end result of the Franklin and Pioneer Parkway routes is a clean and quiet system. She lives near downtown Springfield and owns businesses in downtown Eugene and in Crescent Village. She uses the bus to shuttle her bicycle around town. She proposed a compromise for West 11th Avenue with dedicated lanes for the buses.

Zachary Vishanoff, (address not given), is interested in planning issues. The West Eugene EmX project is a done deal. During the 1990s there was poor leadership at the University of Oregon (UO), demonstrated when they decided to redevelop Amazon housing. Later, Westmoreland housing was sold, and the money was used to buy land on the EmX route and the Joe Romania building. The neighborhood around the first EmX route is now vacant. The UO bought land for the arena. While talking about transit-oriented development, there was no evaluation for the Walnut Station. Mixed-use development near Walnut Station is linked to money laundering with the athletic department. EmX supports the good old boy network and the community is moving backward.

Charles Hibberd, West 11th Avenue, Eugene, said that he owns a business on West 11th Avenue. He counts people on the buses, counting seven at the stop by Riley's Furniture and 13 people during the peak hour. He questioned the need for a bus that carries sixty people when the buses are empty now. He said that most people who support EmX are not from West Eugene. The people who live and work in the area pay the taxes and care about the future. Citizens know what they need, and LTD needs to reassess its analysis.

Irving Weiner, West 11th Avenue, Eugene, has a small family business with 50 employees. LTD wants to impose a transit system that does not fit the needs of the community. LTD is planning a European parkway on West 11th Avenue through his parking lot. He said he feared it is a done deal and it is too bad that businesses have not been included in the decision. The businesses feel disenfranchised. Where are we going with Envision Eugene? The scheme may or may not work. He is not against government employees, but he needs to make a monthly payroll. People need to live by their whit. LTD and the City do not know what is good for business. He encouraged them to step back, rethink, and incorporate the ideas of all the people with the No Build signs, and comply with federal guidelines.

George Cole, West 11th Avenue, Eugene, stated that he has been associated with property on West 11th Avenue for 60 years. He sees the planning and computer models as placebos, with garbage in garbage out, and this is a way to make judgments. In 1997 LTD wanted to take his property for a Park & Ride. It cost him \$160,000 to keep his property. He checks the Park & Ride at Fred Meyer every week. There are 43 parking spaces. Today there were seven cars there at 1:30 p.m., and the number of cars ranged from zero to nine. LTD staff made a mistake on the computer model for EmX. He supports mass transit and EmX, but not on West 11th Avenue.

Zachary Start-MacMillan, Kincaid Street, Eugene, Student Senate president at the UO, said that the Student Senate represented 23,000 students and supported the extension of EmX. Thousands of students ride EmX daily to school and to access services at businesses in the community. The student government funds 3 percent of the LTD budget. The Senate unanimously passed a resolution in favor of urging the City Council and the mayor to support and approve the expansion. He had copies of the resolution for the officials. He said EmX is a valuable resource for the community. Speaking as a member of the Climate Justice League, he said that they are working for real solutions to fight climate change. EmX will help reduce carbon emissions and will help create a better community.

Cortney Mild, (address not given), is a student at the UO and a member of the Live Move student group. She stated her support for the West Eugene EmX Extension on behalf of future students who will need transit services in West Eugene. People who are unable or unwilling to get out of their cars should be in favor of EmX because the more people ride EmX, the more space there will be for others to drive.

Casey Gifford, Ferry Street, Eugene, is a student at UO and a member of the Climate Justice League. She said she came to tonight's meeting by EmX. She supports EmX for current and future students. Many students do not own cars, and businesses on West 11th Avenue are not accessible by bike. UO students will benefit greatly by EmX as other areas of the city become accessible to them. EmX is a long-term investment, and she has seen that development follow public transit in other cities.

R. Joseph Newton, Eugene, said that no one is offering saturation scheduling because there is no money for it throughout the system. He said that we are running out of fuel, and the fuel we are burning is making the climate unlivable. He said that we should set up a structure now using the good ideas people have. He has studied the construction schedule and suggested that construction disruption should last no more than six weeks at the same place. It is important to respect the business people. Businesses take advantage of public infrastructure already there, and they need to share the cost.

Janet Tarver, Wilson Street, Eugene, said that she lives not too far from EmX. The talk of use or lose money is boondoggle talk. She suggested taking lanes out for less traffic, using the lanes already there, and not making the sidewalks smaller. It is only three minutes less to Springfield on the EmX. The hospital route is ugly. We need more, smaller buses and restoration of routes. She regularly uses the regular bus to shop. She used to have to walk two blocks and now she needs to walk six blocks. This is making it harder for older people. It is not logical to make the changes when LTD cannot maintain the current service now. Minds are already made up. Eugene is not Portland. She will not support boondoggles, and she does support schools.

Wendy Butler-Boyesen, City View, Eugene, said that her husband had a stroke at 56, and they are completely dependent on LTD for transportation. They are in favor of the West

Eugene EmX. She said if people are truly disabled, there are lifts on buses, but people who use canes are at risk for injury. Her husband can ride EmX by himself or he can use RideSource, but he cannot ride other city buses by himself. RideSource is a wonderful resource. RideSource costs \$3 for each one-way trip, and LTD loses money on each trip. LTD will save money with EmX. During peak hours the buses are full, and her husband has to wait a long time to get a seat. She has seen people with walkers and in chairs denied boarding.

Thomas Graff, West Broadway, Eugene, has been a long-time resident of Eugene. Rapid transit is needed to move people. West Eugene has a regional transportation problem due to 50 years of poor planning. The fairgrounds used to be the end of town, and the city was developed piecemeal without much thought. EmX will not relieve this problem, although its intentions are good. The short-term plan will not work well, and we need to take another look at transportation as a regional problem. He stated his opposition to the current EmX plan.

Barbara Reed, Alberta Lane, Eugene, lives off of River Road. She thanked LTD for the publicity that informed people about EmX issues. It has been a great effort for soliciting input. She is a frequent user of EmX, and sees the need for an extension of the EmX on West 11th Avenue. She will use the EmX to go to Target and other businesses. The extension is preferable to widening lanes for more cars. There are a lot of people on River Road who do not own cars and who will use LTD if there is better service and connectivity.

Ken Rivernider, Hamilton Avenue, Eugene, said that articulated buses are not needed on River Road. Those buses have people standing almost constantly as do EmX buses. LTD needs to meet the needs of the public and so should EmX. One speaker suggested that businesses are located on West 11th Avenue due to the high level of traffic. However, with the ever increasing level of congestion, customers try to avoid West 11th Avenue. He will never take Beltline to support any of the businesses.

Dennis Casady, Eugene, supports the No Build option. He has properties that would be negatively impacted by EmX. He does not want to lose square footage or trees.

Moshe Immerman, Eugene, said that LTD should go back to the drawing board. He is a scientist, a National Park Service Ranger, and a former chair of the Citizens for Public Accountability. With science, facts are established with as much clarity as possible, which helps in making decisions. The military intelligence uses perception management that is propaganda, which is an ugly word. LTD has already decided what it is going to do and thinks people are too dumb to make decisions for themselves. The government-funded entity is publishing and promoting people as opinion leaders rather than giving people the facts and letting them decide for themselves. He said LTD should lay out all the possible alternative futures and let everyone explore them. The answer is simple: more buses, more comfortable buses, more ergonomic buses, more frequent buses, and more family wage bus drivers. The decision should be delayed.

Mark Frohnmeier, West 5th Avenue, Eugene, is a lifelong resident who owns his business. He stated that he is a supporter of rapid transit. Eugene should have a great mass transit system. The current system is good, but could be better. EmX is great and he rides it as much as possible. He asked that LTD bring routes closer to him and his neighbors in Whiteaker and Jefferson Westside. Survey data show that people do not like to transfer, so the long-term solution should consider include minimizing the number of transfers that riders have to make. He wants a long stretch that would allow as many buses to go through as possible. He supports pushing EmX further into West Eugene.

Brian Weaver, Grant Street, Eugene, stated that he is pro No Build. He has heard the radio ads and has seen billboard ads. The fix is in with LTD and is supported by the mayor. He supplied copies of concept drawings to the City Council that had been submitted to the FTA as well as the Alternative Analysis report. The mitigation drawing shows mixed traffic on West 11th Avenue. The problems will continue, and property will be taken by eminent domain. The report is full of grand illusion. He has been canvassing for weeks along West 11th Avenue, West 6th Avenue, West 7th Avenue, and River Road. Nobody wants EmX. The people have been deceived. The City Council is scheduled to make a decision on March 9, and it should think about the public rather than LTD.

Bob White, River Road, Eugene, stated that he owns a business on River Road. He has been watching the process on River Road, and the process is tainted and has been corrupted by the City, County, and lobbyists. Zoning changes were made on River Road to enable mixed use. They wanted EmX out there. The zoning process was done by a group of 40 to 60 River Road citizens. The meetings were violent in the beginning, so they stopped holding the meetings. They eventually started holding the meetings again. The decisions of the City Council and the County did not produce roads, but there are trails. The decision gave nothing back to the community and created no tax base. The West Eugene Parkway was voted on by the people and killed by the City Council.

Jeffrey Dahl, Eugene, had been a business owner in Eugene for 20 years. He has had six kids in the schools. As a machinist, he solves problems, and he does not get paid if he does not solve the problems. He suggested running EmX down Roosevelt Boulevard rather than West 11th Avenue. It is very wide, underused, and adjacent to Highway 99 and Greenhill Road. He said getting rid of paid parking in downtown Eugene will solve a business problem for downtown. West 11th Avenue business owners should get tax breaks for land they purchased and people who funded the system should get free bus passes. The regular buses on West 11th Avenue share the lanes with cars, but EmX will not share the lanes. This is a huge issue that has been overlooked.

James Luzzi, Monroe Street, Eugene, has lived in Eugene since 1974. He directed officials to Chapter 7 of the Alternative Analysis Report. He said tables listed the number of trees to be removed, and the numbers are alarming. Loss of trees means loss of tree canopy, which provides carbon and storm water storage.

Misha Seymour, Lincoln Street, Eugene, said people who ride buses are not respected. It is not right that there is only one bus on Willamette Street at night. Buses should get people to where they want to go. EmX spent money, and now there was not much money left for other things. People should be treated right, and there should be a place for people to store stuff on the buses. All people should be treated like they were worthwhile.

Tommy Lane, Eugene, said LTD is hemorrhaging cash and will burden future generations. It is frustrating to see that we were at the point of becoming mere subjects, and not "we the people." He said EmX should be put on the ballot.

Randy Prince, Eugene, said that he heard most of the support was based on forward thinking. Most of the town had been built around rail lines. Transit rails and electric lines showed access. The bus shelters and bus lines that came later were not quite as effective. BRT was comfortable and ran frequently. Established transit corridors will spur development. Transit-oriented development will pay for development. He does not want to build one system only to need to build another one in the future. He suggested that EmX lines be rail ready with power lines and signaling. If that is not possible, EmX should not be built on West

11th Avenue. West 6th/7th Avenue to Highway 99 looks better to him, and the area needs redevelopment.

Clark Cox, Patterson Street, Eugene, said that he has a vision problem, and he rides the bus. He has lived through construction in the past and shops at Fred Meyer pharmacy in West Eugene. He is interested in having EmX go there. He hopes it can be done while mitigating the loss of parking and trees.

Frank Svejcar, Eugene, has cared for elderly people and suggested the officials get into shoes of those who will ride the various modes of transportation. They should be careful when changing the design. He does not support the No Build option and does not support EmX. The Transportation System Management (TSM) option is where the existing LTD system in West Eugene improved dramatically. There is already an existing bus system, and the proposals are duplicating what is already there. He is concerned that money that can be used for education will be used for EmX. He wants TSM to be restored to the list of options being considered. The route was established and reduced friction between businesses and ridership, while restoring trust in City government.

Greg Rikhoff, Eugene, said that he is a 20-year resident and property owner on West 11th Avenue. He supports EmX. Tonight he represents UO President Richard Lariviere at the public hearing. The UO is working hard to help students succeed in Eugene as car-free as possible, and it needs the community's help to do that. EmX helps the UO be more connected to the community and helps the community be more connected to the UO. While there are more than 1,300 students living in the residence halls, there are only 277 cars parked on campus overnight. Twenty-three percent of the 18,000 students who live off-campus arrive on campus by bus, and many use EmX. Twelve percent of the faculty and staff use LTD buses. If the UO is to succeed, it must increase ridership numbers, and it needs EmX to do that. While the long-term benefits may not be immediately visible, this is a legacy project. He said that he traveled to the public hearing by EmX. He extended an invitation to join him on campus at Dad's Gates and at the Walnut Station to see how EmX works.

Mike McCallum, (address not given), said the problem appears to be one of integration. He has met with LTD management about utilizing software for smartphones that is used in other cities. He said local small business jobs should not be killed because of a poorly executed plan. He likes the option that would use the existing right-of-way. There is a need for better ideas and a better plan.

Boyd Iverson, (address not given), submitted information previously and will resubmit it. He is not against EmX, but he supports a sustainable plan for West 11th Avenue. LTD has tried to make the business owners look like they are selfish and trying to stop the project, which is not true. His family has owned property in the area since the 1950s. He owns AutoZone. When LTD said it is going to take 15 feet from his property, it will mean that AutoZone would be gone. Those who are opposed are a diverse group, but there is a common thread that this system does not work. The facts from LTD are not substantiated, and are smoke and mirrors. The needs of the City and the community all need to be remembered. This is an important decision, and bad things can happen through bad decisions. There is a lot of information submitted by him and others. He wants an informed decision made based on facts. This is a bad decision and will have a bad impact on Eugene.

CLOSING OF PUBLIC HEARING – Mayor Piercy closed the Eugene City Council public hearing; Ms. Wylie closed the Metropolitan Policy Committee public hearing; and Mr. Eyster closed the Lane Transit District public hearing.

COUNCIL, BOARD, AND STAFF COMMENTS – Tom Schwetz reviewed the West Eugene EmX schedule. The MPC will discuss EmX at its meeting on February 10, 2011. The public hearing was held tonight to take testimony on the draft recommendation. The Joint Locally Preferred Alternative Committee will meet on February 14, 2011, to develop a recommendation based on the comments received during the open house and public hearing as well as other testimony received. The recommendation will then be forwarded to the Eugene City Council, MPC, and LTD Board of Directors. He said people can send written testimony to LTD. He asked the presiding officials to leave their comments or questions on the forms at their places.

ADJOURNMENT – The meeting was adjourned at 9:25 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, February 16, 2011

Pursuant to notice given to *The Register-Guard* for publication on February 10, 2011, 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/work session on Wednesday, February 16, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Doris Towery
Michael Dubick
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Katie Dettman, Minutes Recorder

Absent: Dean Kortge, Secretary
Ed Necker, Treasurer
Gary Gillespie

CALL TO ORDER: Mr. Eyster convened the meeting of the Lane Transit District Board of Directors and called the roll at 5:30 p.m.

PRELIMINARY REMARKS BY BOARD PRESENT: Mr. Eyster presented a plaque to Mr. Evans in recognition for his participation as a Board member in seeing Gateway EmX to fruition. Mr. Eyster also noted that Mr. Evans had been recognized by the Board of Lane County Commissioners.

Mr. Pangborn presented Mr. Eyster with a framed photograph of him at the dedication of the Gateway EmX extension.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: Mr. Pangborn noted that the District was trying to use less paper, so instead of sending out printed copies of the packet, staff had set up each Board member with a laptop computer with which to refer to the Board packet materials.

Mr. Pangborn referred to the 2011 Federal Priorities of the United Front document distributed during the meeting.

Director of Service Planning, Accessibility, and Marketing Andy Vobora explained that LTD staff would meet with Congressional staff and local agency staff to discuss federal funding over the next few years. He reviewed the document, stating that the policy areas and priorities discussed were meant to remind the delegation about the need to address issues including transit operating cost. Reauthorization of the transportation bill did not change from the previous year's book because it was never taken up.

Mr. Evans noted that the Obama Administration had issued a detailed proposal about the \$566 billion investment in infrastructure and rewriting the Highway Bill. In addition, the Administration was discussing recreating what was done with Surface Transportation Program-Urban funding, which involved changing the formula to allow more funding for operations. One of the stipulations was that transit agencies could take money from Formula Funds and put it toward operations in areas where service reductions might occur that would adversely affect people with low incomes.

Mr. Vobora said that he had listened in on a conference call with Transportation for America, and this had been a topic of discussion. There was flexibility in that the changes would be targeted and temporary. The Federal Government was not interested in becoming involved in operations.

Mr. Evans said that the federal government's involvement would gradually lessen over a six-year period and eventually phase out. In the meantime, LTD could obtain additional resources to maintain service.

Mr. Pangborn clarified that President Obama was proposing to put more funding into transit while also proposing a temporary suspension of the rules around how formula funds could be used. More money would be available for a short period of time and could only be used for operations. Meanwhile, Republicans wanted to cut the budget and did not agree with Obama's proposal. Mr. Pangborn had spoken to Travis Brower, the Oregon Department of Transportation staffer who dealt with federal issues, and Mr. Brower had said that Republicans wanted to cut the transportation budget for the next year. The worst case scenario would be that Formula Funds (5307 funds) would be flat for the next few years. He thought that Obama's plan to add more money did not include funding suggestions. Therefore, LTD's estimations on its Long-Range Financial Plan were probably accurate.

Mr. Vobora said that LTD staff could talk about projects that were at the top of the United Front list for each of the agencies. LTD's project priority was funding for the Gateway Park & Ride project. If this was not available, there might be ConnectOregon IV funding available at a lower level.

Mr. Pangborn noted that the amount that might be available from ConnectOregon IV was \$40 million.

Mr. Eyster stated that he, Mr. Pangborn, and Mr. Vobora had met with the Springfield Chamber of Commerce Board that morning. Mr. Vobora added that the Chamber Board had stated that it would issue a statement of support for the development of the West Eugene EmX Extension.

BOARD CALENDARS: Mr. Pangborn noted that LTD would show the second webinar on "Selecting a Transit CEO" on February 23. It was a case study of Denver. He encouraged Board members to attend. The Board's HR Committee would discuss pension benefits on March 4.

WORK SESSION

West Eugene EmX Extension: Mr. Pangborn stated that he, Mr. Eyster, and Mr. Evans had attended the Joint Locally Preferred Alternative (LPA) Committee meeting on February 14. The Committee's preliminary recommendation was to put forward the 13th/11th Alternative as the preferred option. A new proposal had been put forward by the President of the Jefferson Westside Neighborhood Association, Paul Conte. He had argued that 6th/7th rather than 13th/11th should be used as the Build option for the West Eugene EmX Extension. Therefore, the Committee had decided to move both options forward to the City Council for their consideration at its February 23 and March 9 work sessions.

In terms of the federal process, only one Build option could be moved all the way through the environmental process. Therefore, staff proposed a new decision-making schedule in order to slow

down the process and perform more analysis. The proposed schedule would have all three decision-making bodies making final decisions by the end of June or the beginning of July 2011. The final decision would be either a Build option or the No-Build option. The Build option would be either the 6th/7th option or the 11th/13th option. Staff thought that this was the best solution because some members of the public were concerned about how the Locally Preferred Alternative (LPA) process fit into the Envision Eugene process, which was ongoing. In a few months, the Envision Eugene process would have matured to a point that the City would have specific goals in place with which the two Build options could be compared.

Throughout the process, LTD had made significant changes to each corridor option through mitigation. Mr. Pangborn described the original proposals and then the mitigated options. LTD staff thought that taking the mitigated plans for each option and running them through the federally required modeling would provide a more definitive, accurate analysis of the options. This would take some time, but new verified data would be made available. Staff also proposed offering workshops using federal modelers on how the modeling worked. LTD wished to create greater transparency around the data that came out of the new analysis of the options. Then, a final decision could be made about which option to run through the final analysis (one of the two Build options or the No-Build option). Having this data would be preferable to making the decision now. The downside was that the decision bodies might decide to go through new public hearings with the new data. LTD was trying to get to a place where a decision could be made based on the absolute best data on each option, and the decision-making bodies could be confident that they had made the very best choice. One of the issues discussed at the Joint LPA Committee meeting was land use and how the development of the West Eugene EmX Extension would impact the City's long-term development plans for the area. This had not been discussed extensively. With the new data, LTD would be able to provide definitive analysis of operation costs, projected building costs, and environmental impacts.

Mr. Evans cautioned the Board about using consistent, clear terminology and measures in this round of analyses (for example, measuring by "boardings" versus "passenger trips"). The same measurements should be used throughout the process.

Mr. Pangborn hoped that the workshops would help with this.

Mr. Vobora added that the process being discussed would have been part of the Federal Transit Administration (FTA) Small Starts application process anyway. A modeling analysis and a corridor-specific cost analysis had both been done. They were two different processes that could not be reconciled. The additional analysis would use one model and this would help.

Mr. Pangborn said that the FTA would use this new data and analysis to evaluate a Build option if one were chosen. The community as a whole needed to understand this because this was how the FTA would evaluate future EmX corridor options as well.

Mr. Eyster asked how this proposal would affect the current decision dates.

Mr. Pangborn stated that, in July, the Metropolitan Policy Committee would meet on the 14th, and the LTD Board would meet on the 20th.

Director of Planning and Development Tom Schwetz said that the July dates were as late as he recommended. He and Mr. Pangborn said that staff preferred that the decisions be made in June.

Ms. Towery stated that city councils went on breaks in July.

Mr. Dubick asked when Small Starts applications needed to be submitted and how long an Environmental Analysis of a Build option would take.

Mr. Schwetz said that they were usually due in mid- to late-August. The Environmental Analysis usually took several months. However, the LPA that came out of the current process could be used in the application, and the Environmental Analysis could be done at the same time.

Ms. Towery said that she was in favor of new data, so long as work was not duplicated. She was concerned about the proposed timeline because each of the decision-making entities would be focused on difficult budget processes in June and the months preceding. She was concerned that the necessary discussions would not happen because of this, and the window of opportunity for the completion of the process would close completely without any decisions being made.

Mr. Pangborn said that staff assumed that modeling would happen between mid-February and June 1. Therefore, deliberations could be held by the decision-making bodies in June.

Mr. Evans said that he felt that the City was giving mixed signals in terms of its land-use policy and what they wished to accomplish with Envision Eugene, and what the City Council had already articulated in the TransPlan and other area-wide documents. He asked what the Envision Eugene goals were in terms of land use with regards to the build out of the system-wide EmX system. If the City wished to adjust land use priorities, LTD needed to know that as soon as possible. Otherwise, the EmX process would be slowed and complicated further.

Mr. Pangborn indicated that he did not believe that the Envision Eugene process would substantially change the City's course. He had sat in on many of the Community Resource Group (CRG) meetings. The CRG anticipated that development would occur along transit corridors. The main argument was whether to expand the Urban Growth Boundary to accommodate industrial interests and more single family residential homes; and, where the single family residential areas would be placed. In all cases, the need for a higher level of density and development along transit corridors was acknowledged, as was the need for a higher level of transit. The City planned to arrive at the conclusion of the Envision Eugene process by June.

Mr. Schwetz said that the community as a whole had been thinking about the integration of land use and transportation for approximately 40 years. In his opinion, the Envision Eugene effort would not dramatically change how the community thought about compact urban form. This fit into the concept of thinking about transit corridors, particularly the EmX corridors, as organizing elements for that growth. He did not think the long-range land use plans would reverse the progress that had been made with regards to EmX or that would make EmX inconsistent with the City's long-term goals.

Mr. Evans said that the City needed to be very clear about long-term land use goals, especially if the goals dramatically changed transit integration as it had been envisioned for the last 40 years or if the goals affected LTD's EmX work.

Ms. Towery asked if staff expected vastly different data results during this new modeling and analysis that could potentially change the dynamics of the conversation.

Mr. Pangborn explained that current LTD data indicated that the 6th/7th option would cost as much as \$730,000 more per year to run than the 13th/11th option. This was not an inconsequential amount of money. This amount had been computed after the mitigated plans had been designed. He felt comfortable about the number, but wanted to verify it to establish the best projections possible in order to help the decision-making bodies make the best route decision. LTD's current Long-Range Financial Plan, which was balanced, did not anticipate this operating cost. More funding would have to be found if the number was correct and 6th/7th was chosen.

Ms. Towery said that LTD was in its third year in the process. She wanted to make sure further delay was justified.

Mr. Dubick thought that if the additional time and effort brought the process to the point where a solid majority on the City Council supported a decision, it would be worth it. A weak or split decision would not be helpful. He thought the proposed process would benefit from the additional modeling and analysis.

Mr. Evans stated that he was uncomfortable with the possibility of choosing an option that could cost \$730,000 more per year to operate than the other. If the City of Eugene chose to stand behind this option, they would need to come up with additional revenue to support it. The EmX process was designed to augment the current system in a cost-efficient way. He had a problem with an option that was not fiscally sound or prudent.

Mr. Pangborn said that he hoped that the new analysis/modeling process would determine which option was truly the most fiscally sound.

Mr. Dubick said that the decision still had to be made about whether or not to go forward with the West Eugene EmX Extension. If the community could not pay for the option that was chosen, he understood that it did not have to be done. The decision should be based on the best data possible.

Mr. Evans agreed.

Mr. Eyster said he thought that it would be difficult to change the proposed decision-making dates. However, flexibility was required in public processes. He said that he thought it was reasonable to conduct the new process if more transparency was gained in doing so. He appreciated the idea of public workshops on the modeling. He acknowledged that the MPC and the City Council had to have input on the decision about whether to do further analysis. If those bodies agreed, he thought it should be done.

Mr. Pangborn noted that Commissioner Leiken, who serves on the Joint LPA Committee, thought that the decision was primarily up to the City Council and the LTD Board, and he agreed that it should be.

Mr. Eyster summed up the discussion, noting that all Board members present agreed with staff's proposal except Ms. Towery.

Ms. Towery thought transparency was good, but she was not sure if new analysis and modeling was needed in order for the three bodies to reach a decision. She recommended staying with the original timeline that had been agreed upon. She also was concerned about the cost of enacting the staff proposal.

Mr. Pangborn referred to an Op-Ed piece in that day's *Register-Guard* about the use of paid media to publicize LTD's planning efforts. One piece argued that, as a public entity, LTD should not be spending tax dollars on paid media for this purpose. Mr. Pangborn said that there is a state law relating to public agencies expending funds for ballot measures. The law allows public agencies to use paid media to explain ballot measures, but the law does not address the situation LTD is in. One could argue that LTD receives about \$200,000 per year in revenue from bus interior advertising. The writer argued that this was the money LTD was using to advertise about EmX. LTD also receives more than \$7.6 million per year in passenger fares. Mr. Pangborn said that when the various West Eugene EmX options were presented, opposition groups emerged with ads in the paper, lawn signs, and a billboard. At that point, LTD realized that the larger community had not been tracking the process. Therefore, LTD had to find a way to engage the community. At that point LTD had started the outreach process and more community members got involved.

Ms. Towery said she had been tracking the process and did not think that LTD had crossed any lines. However, LTD's timing had been off. It was part of LTD's responsibility as a public entity to inform the community about the value the transit system provided to the community. She thought that, had LTD's outreach begun sooner, public perception of the project might be different. Her conversations with people who were dependent on the system, and who were not being heard, were important. The story about the value of what LTD provides to the community and to community members' quality of life needs to be told. Because of the public process, more voices were being heard. Twenty percent of Lane County's population is living below federal poverty lines. A large portion of this population is dependent on public transit. Planning for the long-term strength and health of the public transit system is critically important.

Mr. Dubick said that LTD staff and the LTD Board had to do everything they could to support and advocate for bus rapid transit.

Mr. Evans was reticent to comment on practice versus policy. He did not think this was a policy decision. The policy commitment already had been made to the EmX system. It was up to staff as to how to implement the policy. He didn't think it was appropriate for the Board to micromanage staff action. However, the Board and the staff did need to be wary of advocating for a specific option.

Mr. Eyster said that he had asked that staff check with general counsel about the use of public dollars for media. Counsel had found that there had been no violation of the law. Mr. Eyster also advised that inaccurate information that LTD had released to the public be corrected to the furthest extent possible. His advice to Mr. Vobora and Mr. Pangborn was to not cross the line into advocacy. He agreed with Mr. Evans' comments about policy versus practice. He said that the Board may want to consider adopting a policy related to the issue.

Mr. Evans agreed with Ms. Towery that the timing on LTD outreach was not optimal. He said that LTD information and public education regarding bus rapid transit needs to be consistent and continuous rather than distributed when convenient.

Mr. Eyster said that headway was being made in regards to the possible creation of a Citizen Advisory Council to the LTD Board. Mr. Pangborn noted that LTD had learned many valuable lessons in the process, which will be applied to the process in the future, irrespective of whether a Build or No Build alternative is chosen.

Ms. Towery agreed, adding that it is important that all groups within the community maintain open communication with each other, and support each other and work together.

EMPLOYEE OF THE MONTH: Mr. Schwetz introduced LTD's Employee of the Month for March 2011 as Kelly Perron and briefly described her service to LTD over the last 15 years. She had been nominated for the award by both a staff person and a customer for her work on the events surrounding the opening of the Gateway EmX.

Mr. Eyster presented Ms. Perron with an award and thanked her on behalf of the LTD Board for her service to LTD.

Ms. Perron thanked the LTD Board for the award. She said that she could not get everything accomplished that she did without her co-workers. She expressed gratitude for the opportunity to work at LTD.

AUDIENCE PARTICIPATION

Erin Ellis, 901 S. 32nd Place, Springfield, mentioned the hearing and the presentation about past experiences with the EmX project. After being told that there were not any negative impacts, several people had come to her organization, Our Money Our Transit (OMOT), to discuss what they experienced during EmX construction on Franklin and Gateway. Ms. Ellis distributed written comments submitted by three members of the public about their experiences being negatively impacted by the EmX project (from Casey Pilkenton of Chuck's Service Center on Franklin Blvd., Sarita, Springfield resident, and Casey Dresser of Springfield Cleaners).

Robert Rubin, 2836 W. 11th Avenue, Eugene, said that he represented Citizens for Sustainable Public Transit. He suggested that the LTD Board invite members of the public who attended Board meetings to participate in the discussions. He thought that it would be beneficial for LTD to hear their thoughts. He had three comments. Regarding solving the alleged congestion problems on W. 11th with an EmX bus, he read from a recent *Register-Guard* article, quoting someone from LTD: "The portion of travelers using public transit instead of cars and other modes of travel would be 2.8 percent by 2031, up from 2.35 currently." This was less than one half of one percent over 20 years. This was one reason why he thought EmX was not a good solution. Some people thought the big EmX buses would add to congestion. He was a true supporter of public transit. He had served on boards of directors, and had attended many board of director's meetings as an employee of nonprofit and for-profit companies. He knew the difference between a Board member and an employee. He understood the dedication and sacrifices that Board members make to ensure the success of their organization. He thanked LTD Board members for their time and dedication to public transit. He said he knew that impassioned and driven employees could sway or manipulate Boards with their enthusiasm and zeal. He encouraged LTD Board members to really pay attention, on behalf of the citizens of the Lane Transit District who feared West Eugene EmX plans would contribute to the destruction of the current system. He asked the LTD Board to keep in mind its primary mission.

Pauline Hutson, 1025 Taylor Street, Eugene, said that she felt that there isn't support for the West Eugene EmX project. She commented that she felt it was wrong of LTD to already begin working on the Main Street EmX expansion as evidenced by the removal of bus stops along Main Street between 6th and 15th streets.

Joseph Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, said that he had not changed his mind about some things. For example, he was advocating for total discussion of the public right-of-way in the Envision Eugene process, which would affect LTD. He noted that the City needed to address the 15-foot setback issue; and that, while it's not LTD's issue, it affects LTD's long term EmX plans. He said that the Eugene City Council might appreciate a little more time to deliberate the preferred West EmX Extension option. He appreciated the discussions that the Board had undertaken tonight and said that he felt that these discussions should have occurred three years ago. He continues to support a no build option for West Eugene.

Bob Macherione, 1994 Brewer Avenue, Eugene, referred to Mr. Pangborn's argument about campaigning against LTD opponents. He acknowledged that some LTD Board members did not think this was true. He challenged them to look above his building on 6th Street to see his billboard. The billboard had been put up after OMOT's campaign began. He said that if LTD did not like the public input, they should not have started a media campaign. He thought the explanation about which pot of money paid for the media campaign was unconvincing. He said that 80 cents out of every dollar that came to LTD came out of business taxes. He noted the proposed recalculation of data and modeling. He said that this was being proposed due to the fact that members of the public had pointed out discrepancies. He distributed a flier titled *LTD's EmX Operating Costs are Flawed* that he said showed the most accurate representation of the operation cost to run EmX on each of

the proposed routes. He had changed two numbers on the chart that LTD provided depicting operating costs for each option. LTD had explained to him how they had calculated their costs. There had been a \$1.4 million difference between the numbers presented at one meeting and numbers presented at the following meeting. LTD had used fleet averages for their calculations and charts. Real data was available from the operating EmX line, but fleet averages were used. He had recalculated using actual fuel economy numbers for EmX, which did not include added maintenance or depreciation. He noted that with his calculations, the No Build option showed that no additional buses would be needed in 2031. With his calculations, three 60 foot buses per hour would be needed with No Build (LTD's calculations showed four 40 foot buses per hour would be needed with No Build). His calculations showed that it would take 16 years longer to break even with EmX than LTD's calculations showed. He appreciated accurate numbers. He did not think that the LTD Board or the public got accurate numbers. He said that when federal modeling was done and the FTA recommended putting in another line a half-mile away, LTD could not expect people to walk from 18th to 11th to catch the EmX. The City Council was recommending a corridor (6th/7th) that was unworkable. Development was not going to happen on that corridor.

ITEMS FOR ACTION AT THIS MEETING

Public Hearing: FY 2012-19 Capital Improvement Program Approval: Financial Services Manager Todd Lipkin reviewed the FY 2012-19 Capital Improvements Program.

Mr. Eyster opened the public hearing and invited people to speak. There being no requests to speak, Mr. Eyster closed the public hearing.

MOTION Mr. Evans moved adoption of LTD Resolution 2011-002: It is hereby resolved that the Draft FY 2012-19 Capital Improvements Program is approved as presented. Ms. Towery provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Towery (4)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Gillespie, Kortge, Necker (3)

FY 2012-19 Long-Range Financial Plan Approval: Director of Finance and Information Technology Diane Hellekson provided an overview of the FY 2012-2019 Long-Range Financial Plan.

Mr. Evans said that he had spoken with Former Eugene City Councilor Shawn Boles regarding Board conversation around the issue of fuel prices, and that the LTD Board might be underestimating the possibility of a fuel crisis coming as early as this summer. He asked if staff had discussed this possibility. He asked what LTD's contingency plan would be should a fuel crisis occur.

Ms. Hellekson said that this was one of the reasons that LTD had reserves. No matter how much hybrid and alternative technologies were incorporated into the fleet, LTD was still fossil-fuel dependent. At some point, LTD would have to find a way to deal with fuel prices.

Director of Maintenance George Trauger said that fuel prices were a concern because of events in the Middle East and fuel usage projections. February had seen fuel costs rise significantly. He had not been able to make price commitments to purchase and store bulk fuel when the price had been somewhat lower.

In response to a question from Mr. Evans regarding a long-term fuel crisis, Ms. Hellekson said that LTD managed to its resources. Dipping into the reserves was intended as a temporary measure to provide a transition period in planning strategies. If it became necessary to draw from reserves, they

would last about one year.

Mr. Lipkin said that LTD was replacing 40 percent of its peak fleet with hybrid vehicles. The current plan projected the same fuel needs and did not take into account hybrid replacements. This provided some flexibility.

Mr. Trauger said that the new hybrid buses would provide 25 percent fuel savings.

Mr. Pangborn mentioned other transit providers that also could face a fuel crisis. Utah Transit Authority had implemented a fuel excise tax on its fares when fuel prices rose to a certain point. In the event of a fuel crisis, LTD would attempt to find additional funding, raise fares, or it would have to cut service.

MOTION Mr. Dubick moved adoption of LTD Resolution 2011-003: Resolved, that the LTD Board of Directors approves the FY 2012-19 Long-Range Financial Plan as presented. Ms. Towery provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Towery (4)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Gillespie, Kortge, Necker (3)

Second Reading and Adoption of Ordinance No. 41, an Ordinance Amending Ordinance No. 38 to Revise the Definition of "Net Earnings From Self-Employment": Ms. Hellekson reviewed the item.

MOTION Mr. Dubick moved that Ordinance 41 be read by title only. Mr. Evans provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Towery (4)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Gillespie, Kortge, Necker (3)

Mr. Pangborn read the ordinance: Ordinance No. 41, an ordinance of the Lane Transit District amending Ordinance No. 38 to revise the definition of "net earnings from self-employment."

MOTION Mr. Evans moved to approve LTD Resolution No. 2011-004: Be it resolved that the LTD Board of Directors hereby adopts Lane Transit District Ordinance No. 41, an ordinance amending Ordinance No. 38 to revise the definition of "Net Earnings from Self-Employment." Ms. Towery provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Towery (4)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Gillespie, Kortge, Necker (3)

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Senior Human Resources Analyst David Collier said that the Executive

Search Committee met with the Generator Group (GG) on January 26 to refine competencies in order to develop the profile for the next general Manager. On February 15 staff had given GG a draft of desired competencies, which GG were going to distribute to the Board within a week. He had received feedback from Mr. Eyster, Mr. Dubick, and Mr. Gillespie. He said that the Committee was on track and on schedule.

Mr. Eyster said that the Springfield Transportation System Plan Stakeholder Advisory Committee had met the previous week and would meet again in the summer.

Mr. Dubick reported that the Human Resources Committee would meet on March 4 to discuss ideas for revising the pension plans. The District needed to find a way to maintain costs while continuing to provide an adequate, fair pension plan to employees. He said that the Committee will meet with the actuary on March 4 to discuss how the system might change for future employees.

Mr. Eyster noted that the Springfield Chamber of Commerce had invited UO Economist Tim Duy to speak at a recent breakfast. Mr. Duy had reported that there was a "light at the end of the tunnel" in terms of economic recovery; however, he had no encouraging news for the public sector, including states, counties, and municipalities.

Mr. Evans reported that the Service Committee had met and discussed the implementation of the Gateway EmX and issues that had emerged. They also had discussed recent service reductions.

Mr. Evans recently attended the APTA Board of Directors Executive Committee meeting in Denver to discuss the expected retirement of ATA President Bill Millar. The Committee chose a search firm. Mr. Evans would participate in a conference call the next day to discuss authorization, Obama Administration proposals, and issues related to the internal workings of APTA. The Committee also would discuss rail agreements. He was on the Transit Board Members ADA Subcommittee and referred to the booklet that had been provided to Board Members, *ADA Essentials for Transit Board Members*. He encouraged all members to read it.

ADA Essentials for Transit Board Members: Accessible Services Program Manager Terry Parker referred the Board to the *ADA Essentials for Transit Board Members* publication and also encouraged the members to read it. She thanked Mr. Evans for his work on APTA's Action Committee.

Special Transportation Discretionary Grant Update: Ms. Parker acknowledged Mr. Necker and other members of the Accessible Transportation Committee who recognized the importance of supporting fixed-route and paratransit equally. She noted that the LTD Board had given Mr. Pangborn authority to approve these grants.

Legal Services Contract: Purchasing Manager Jeanette Bailor said that during the last federal procurement review, LTD was advised to seek proposals for legal services in the near future.

Mr. Eyster asked what the timeline was.

Ms. Bailor said she wished to start work on forming a committee as soon as possible, and she hoped that a firm would be selected by April; recommended to the full Board for approval in May; and the contract to begin June 1.

Mr. Pangborn suggested using the Finance Committee to help select a new legal firm.

Mr. Pangborn and Ms. Bailor said that the contract with LTD's current counsel, Arnold Gallagher Percell Roberts and Potter, P.C., could be extended if necessary.

Mr. Dubick agreed that perhaps the Finance Committee could work on the Legal Services contract. He said he thought that it could be done in a short period of time. He was the only Board member who served on both the Finance Committee and the Executive Search Committee.

The Board members expressed agreement to having the Finance Committee commit to work on the process.

Monthly Financial Report – January 2011: Ms. Hellekson reviewed the January financial statements and the January 2011 Grant Report.

Monthly Performance Reports: Mr. Pangborn referred to the Monthly Performance Report. He noted that boardings were down only 0.9 percent after a 13 percent service cut.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 7:31 p.m.

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
REGULAR BOARD MEETING/WORK SESSION

Wednesday, March 16, 2010

Pursuant to notice given to *The Register-Guard* for publication on March 10, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular Board meeting on Wednesday, March 16, 2011, beginning at 5:30 p.m., in the Bascom-Tykeson Room of the Eugene Public Library at 100 W. 10th Avenue, Eugene.

Present: Mike Eyster, President
 Greg Evans, Vice President
 Michael Dubick
 Ed Necker
 Dean Kortge
 Doris Towery
 Gary Gillespie
 Mark Pangborn, General Manager
 Jeanne Schapper, Clerk of the Board
 Wade Hicks, Minutes Recorder

CALL TO ORDER: Mr. Eyster called the meeting of the LTD Board of Directors to order at 5:31 p.m.

ROLL CALL: Mr. Eyster called the roll. With the exception of Mr. Evans, all Board members were present. Mr. Eyster noted that Mr. Evans was expected to join the meeting later via telephone conference.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster offered no opening remarks.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: Mr. Eyster noted that Senior Human Resources Analyst David Collier was expected to provide comments later in the meeting regarding the search for the general manager position.

Mr. Eyster noted that the Board would postpone the Board Calendar portion of the agenda until Mr. Pangborn had arrived.

WORK SESSION

Regional Carsharing Program: Tracy Smith, Rideshare Coordinator for Point2point Solutions, briefed the Board on the proposed regional carsharing program and noted that Enterprise Rent-A-Car currently maintained a small scale carshare program at certain areas on the University of Oregon campus. She noted that Point2point Solutions staff had recently engaged in discussions with Enterprise regarding how such programs may be expanded in the community.

Ms. Smith noted that one of the principal representatives from a carsharing cooperative in Vancouver, British Columbia, Brandon Rochelle, had recently arrived in Eugene. He had

engaged in preliminary discussions with Point2point Solutions and the Transportation Options Advisory Committee regarding the formation of a similar carsharing cooperative in Eugene.

Ms. Smith noted that Point2point would be seeking approval from the LTD Board to conduct a study to determine the readiness of the area for a neighborhood carsharing program. Ms. Smith described how various market studies regarding the feasibility of a local carsharing program had been conducted by Point2point Solutions and also members of the City's Sustainability Commission.

Transportations Options Manager Theresa Brand briefly defined the primary elements, goals, and community benefits of regional carsharing programs such as were being investigated by Point2point Solutions staff. She further described the most recent plans for a local carsharing pilot project and noted that she had recently met with vendors regarding potential implementation strategies and timelines.

Mr. Pangborn joined the meeting at 5:41 p.m.

Ms. Brand outlined the next steps towards the implementation of a regional carsharing program and reiterated that Point2point Solutions would be seeking approval from the LTD Board to proceed with plans to draft a Request for Proposal (RFP) for a study to determine the feasibility of a carsharing program.

Ms. Brand stated that any vehicles used as part of a regional carsharing program would most likely be housed on City of Eugene property.

Ms. Brand, responding to a question from Mr. Necker, stated that the vehicles in a carsharing program were typically owned by the vendors, and that insurance coverage was maintained by the vendors and incorporated into the rental fees for those vehicles.

Responding to a question from Mr. Kortge, Ms. Brand stated that while a designated vendor would be responsible for the ultimate implementation and operation of a regional carsharing program, Point2point was expected to be involved in the drafting of the RFP for the program, the selection of the vendor, and any marketing strategies used to generate public awareness of the program. She noted that ongoing staff time for the carsharing program would be incorporated in the Point2point Solutions work plan.

Mr. Kortge commented that the amount of time, money, and resources that the Point2point Solutions staff would need to facilitate the implementation and operation of a regional carsharing program was a significant unknown factor.

Ms. Smith noted that while staff had requested that LTD author the carsharing RFP through the Point2point Solutions work plan, the majority of work to implement and operate a regional carsharing program would be carried out by the selected vendor. She noted that Point2point Solutions' primary focus for a regional carsharing program would be to support the marketing efforts needed to encourage the growth and sustainability of the program.

Mr. Gillespie described his experience in using other carsharing programs and noted that the hourly travel rate represented significant savings over other vehicle per-mile reimbursements. He strongly encouraged the LTD Board's support for the development of a regional carsharing program as described by Ms. Brand and Ms. Smith.

Ms. Towery described her experience with carsharing programs and appreciated that Ms. Brand and Ms. Smith had presented information regarding the use of similar programs in smaller communities. She further suggested that Enterprise Rent-A-Car may be a valuable community partner in the implementation of a regional carsharing program.

Ms. Brand, responding to a question from Mr. Necker, noted that the availability of new markets served as the primary impetus for car rental vendors to become involved in regional carsharing programs. She further noted that some vendors also marketed the environmental benefits of regional carsharing programs, and that the availability of regional carsharing programs in other areas had actually resulted in less per capita vehicle ownership figures.

Mr. Dubick stated his belief that a regional carsharing program was a great idea for the community and said that such a program could empower non-vehicle owners in the community to continue such a lifestyle.

Ms. Brand noted that the City of Eugene's Sustainability Commission had shown significant interest in the ability of regional carsharing programs to support various urban density strategies.

Ms. Towery commented that the availability of a regional carsharing program may encourage community members to choose to not own a car.

Mr. Eyster asked if the extent of LTD's obligation with respect to the proposed regional carsharing program would be to authorize Point2point solutions staff to devote staff time and resources toward the initial development of a carsharing program. Ms. Brand confirmed that Point2point resources would be used to develop the RFP and ongoing marketing strategies to be used in a carsharing program.

Mr. Kortge asked why car rental companies would not choose to implement carsharing programs on their own. Ms. Smith responded that it was often necessary for various agencies to incentivize the development of regional carsharing programs with vendors by providing marketing to increase awareness of carsharing programs.

Ms. Smith described how a recent Oregon Department of Transportation (ODOT) grant may be leveraged against the incentives that a selected vendor would need to develop a carsharing program.

Mr. Eyster reiterated that the Board would take formal action regarding the proposal presented by Ms. Smith and Ms. Brand later in the meeting.

West Eugene EmX Extension Locally Preferred Alternative (LPA) Selection: Mr. Schwetz recapped the most recent developments surrounding the West Eugene EmX Extension (WEEE)

project and the selection process for the Locally Preferred Alternative (LPA). He noted that the LTD Board was expected to make its formal decision regarding the LPA later in the meeting.

Mr. Schwetz reported that, on March 9, the Eugene City Council had voted five to four against the No-Build alternative, and had subsequently voted unanimously for the selection of the mitigated West 6th/7th Avenue alignment alternative for the WEEE project.

Mr. Schwetz noted that LTD had subsequently received a letter from Eugene City Manager Jon Ruiz that outlined the Council's decision regarding the LPA.

Mr. Schwetz reported that, subsequent to the Eugene City Council's decision, the Metropolitan Policy Committee (MPC) for the Central Lane Metropolitan Planning Organization (MPO) had, at its March 10 meeting, determined that additional time was needed for the MPC to hold an additional public hearing regarding the West 6th/7th alignment alternative. He noted that the MPC had scheduled the public hearing for April 5 in the Wheeler Pavilion at the Fairgrounds. Mr. Schwetz noted that the MPC was scheduled to make its final decision regarding the LPA at its meeting on April 14.

Mr. Schwetz maintained that although the LTD Board was originally expected to make its decision regarding the LPA subsequent to the MPC decision, it would be prudent for the Board to vote during the current meeting so that staff would have adequate time to complete the next steps of the federal funding processes involved in the WEEE project.

Mr. Schwetz, responding to a question from Mr. Necker, noted that although the West 11th/13th alignment alternative had been determined by LTD staff to be the most financially feasible alignment, the LPA decision by the LTD Board, the Eugene City Council, and the MPC needed to be unanimous or the project would not move forward.

Mr. Necker asked if the Eugene City Council's determination regarding the LPA had been made as a true support of the West 6th/7th alignment alternative or if it had been made essentially in opposition to the West 11th/13th alignment alternative. Mr. Schwetz responded that the Council's decision to support the West 6th/7th alignment alternative had been made primarily out of concerns for the potential economic development of the West 6th/7th area and the Council's intent to focus on the future development of the Highway 99 area. He further noted that the Council had stated that there was more employment along West 6th/7th Avenue proximate to other areas of West 11th/13th Avenue.

Mr. Schwetz, responding to a question from Mr. Necker, stated that the City Council was aware that West 6th/7th Avenue was used as a truck route. He further noted that LTD's analysis had acknowledged that the area of 6th/7th Avenue that is west of Jefferson Street was a state route, and that LTD was currently coordinating with ODOT on how the WEEE may be implemented effectively. Mr. Schwetz noted that local ODOT representative Sonny Chickering had preferred the 6th/7th alignment alternative because the WEEE project would improve the flow of traffic on both 6th and 7th Avenues. Mr. Schwetz, responding to a question from Mr. Kortge, reiterated that the three decision making agencies for the WEEE project were required to be in agreement regarding the LPA before the project could move forward.

Mr. Dubick responded to Mr. Kortge's previous question and stated that LTD had initiated the WEEE project at the request of the City of Eugene and that LTD had expended considerable resources on the project since 1996. He further maintained that the City of Eugene should be able to set the priority for the selection of the LPA or else the project may not happen.

Mr. Vobora briefly described some of the differences between the West 6th/7th and the West 11th/13th alignment alternatives with particular emphasis on the projected operating costs and service levels for each alternative.

Mr. Vobora noted that the cost analysis performed regarding the West 6th/7th alignment alternative had indicated that it was more expensive than the West 11th/13th alternative because of adjustments to existing service in the West Eugene corridor. Mr. Vobora proceeded to describe how existing service routes had been configured and how they might be reconfigured in relation to a West Eugene EmX route along West 6th/7th Avenue.

Mr. Vobora noted that the West 6th/7th alternative had a three to four-minute longer projected travel time than the West 11th/13th alternative. He noted that the increased cycle time for the route may necessitate the use of an extra bus and subsequently increase the overall costs of the alternative.

Mr. Vobora, responding to a question from Mr. Necker, briefly described how the West 6th/7th alternative may facilitate the development of additional transit services along Highway 99 and other West Eugene corridor areas in the future.

Mr. Necker asked if any of the conceptual plans for the West 6th/7th alignment alternative or other future transit routes had incorporated any plans to avoid railroad tracks along the River Road area. Mr. Vobora responded that no such plans had yet been incorporated.

Mr. Vobora described several potential route optimization strategies that may be incorporated into LTD's regular bus services as the WEEE project was implemented. He noted that information regarding the route optimization strategies would be included in LTD's grant submission materials for the WEEE project.

Mr. Vobora, responding to a question from Mr. Dubick, described how traffic signal prioritization may be used in the West Eugene area for LTD's regular bus services.

Mr. Kortge asked Mr. Vobora if LTD would be able to further refine the West 6th/7th Avenue alignment alternative if the Board voted in favor of it. Mr. Vobora responded that LTD would be able to incorporate additional refinements to the Locally Preferred Alternative as it went through the environmental process.

Mr. Eyster commented that one of the platforms on the new Gateway EmX route had actually been moved after construction of the route had been initiated.

Mr. Kortge noted his concerns regarding the higher operational costs for the West 6th/7th Avenue alignment alternative, and asked if the increased operational costs would be feasible when considered against current economic conditions and the projected ridership for the route. Mr.

Vobora stated his belief that LTD's Long-Range Financial Plan would be able to accommodate the increased operational costs of the alignment alternative.

Mr. Gillespie noted that the LPA selection was a chronically frustrating process and stated his belief that LTD, as the organization with the most transit planning expertise, was being inappropriately manipulated by a neighborhood group opposed to the WEEE project and by two freshman county commissioners who also where opposed to the project. He feared that if the WEEE project did not move forward along the West 6th/7th alignment alternative, then no other EmX routes would ever be constructed. He stated that the West 6th/7th Avenue alignment alternative was the right way to go even though it had not been his first choice.

Mr. Dubick noted that "politics was the art of the possible" and commented on the discussion surrounding the West 6th/7th alignment alternative. He stated his belief that that the City and LTD staffs could make the route work and could ensure that the negative impacts from the construction and operation of the route would be minimized.

Ms. Towery commented on LTD's previous public discussions that had occurred during recent service reductions, and stated that she hoped that LTD and the community stakeholders had learned from that process how to develop productive and thoughtful conversations about where acceptable compromises could be reached. She further noted her confidence in the wisdom and experience of the LTD staff and believed that they would be able to develop new efficiencies for all of LTD's services as the WEEE project progressed.

Mr. Kortge commented that he would prefer to have more detailed information regarding the operational costs of the West 6th/7th alignment alternative before the Board voted on the Locally Preferred Alternative. Mr. Vobora responded that some additional information regarding the operating costs had been presented as part of LTD's Long-Range Financial Plan. Mr. Vobora noted that additional revenues from the West Eugene EmX route would help offset the increased operational costs of the route.

Mr. Schwetz commented on the next steps for the LPA selection process and the WEEE project in general. He stated that after a consensus position had been reached by the three decision-making agencies, staff would begin preparing the federal Small Starts grant materials that would be due in mid-August before completing the environmental process for the WEEE project.

Mr. Schwetz noted that staff, in response to a request from Eugene City Councilor Pat Farr, had prepared further summary information regarding the discussions and decision process of the Eugene City Council with respect to the LPA. Mr. Schwetz summarized that the regional transportation plan adopted by the City of Eugene and LTD called for the establishment of a BRT system if local governments demonstrated support.

Mr. Schwetz expected that subsequent to the LPA selection, LTD would receive a determination regarding grant funding for the WEEE project in February or March of 2012.

Mr. Schwetz, responding to a question from Mr. Necker, noted that the mitigation strategies for the West 6th/7th Avenue alignment alternative had been completed.

Mr. Schwetz referred to recent community discussions regarding the veracity of the data used by LTD with respect to the West 6th/7th alignment alternative and noted that as the federal grant process progressed, LTD was required by the Federal Transit Administration (FTA) to adhere to extremely rigorous standards with respect to the federal evaluation of the project.

BOARD CALENDARS: Mr. Pangborn noted that LTD's work session meeting on April 11 would be a critical meeting as it represented the Board's first opportunity to address LTD's Fiscal Year 2011-12 budget process.

Mr. Pangborn noted that two of the citizen members of the LTD Budget Committee, Ed Gerdes and Peter Davidson, would be unable to attend that committee's meetings in May and had asked to reschedule. Mr. Pangborn noted that staff had been attempting to accommodate the committee members' requests.

EMPLOYEE OF THE MONTH: Mark Johnson introduced bus operator Andrew Chandler as LTD's Employee of the Month for April 2011. He noted that Mr. Chandler had been with LTD since 2006 and had recently been nominated for this award by an LTD passenger who had witnessed Mr. Chandler's response to a medical emergency involving another passenger.

Mr. Chandler offered his thanks to the LTD staff and Board members and introduced his family members who also were in attendance.

Mr. Eyster presented Mr. Chandler with his award and thanked him for his many years of service to the District.

AUDIENCE PARTICIPATION

Mr. Eyster reminded those present that Mr. Evans may be joining via telephone later in the meeting.

Erin Ellis, 901 S. 32nd Place, Springfield, distributed a statement from Casey Dresser of Springfield Cleaners and maintained that Ms. Dresser's concerns had not been adequately addressed during recent public hearings regarding the WEEE project. Ms. Ellis further noted her concerns regarding recent public hearings regarding the LPA selection process and stated her belief that LTD staff and Board members had not sufficiently responded to public concerns.

Robert Macherione, 1994 Brown Street, Eugene, maintained that LTD's Board members had an inappropriate relationship with LTD administrators and stated his belief that the District also had acted inappropriately with respect to the manner in which LTD staff had informed local businesses regarding the business access transit lanes planned for certain areas of the alignment alternatives. He further maintained that LTD's recent interactions with the Funk Levis consulting firm were in violation of federal tax laws. He said that supervision regarding the further development of LTD's transit system needed to be more stringent.

Pauline Hutson, 1025 Taylor Street, Eugene, stated her belief that LTD's EmX system was not proportionate to the size and transportation needs of the City of Eugene, and she said that

further expansions of the system were unwarranted. She maintained that the EmX service did not adequately serve the needs of local neighborhoods and that EmX buses had caused damage to certain roadway intersections in Eugene.

Robert Rubin, 2836 West 11th Avenue, Eugene, said that he believed that LTD staff had recalculated its most recent operating cost projections for the alignment alternatives using inaccurate and misleading data. Mr. Rubin said that LTD's continued development of the WEEE project would irreparably harm LTD's other transportation services, and said that he further believed that LTD staff had lost sight of the primary mission of the District.

Paul Conte, 1461 West 10th Avenue, Eugene, spoke in his capacity as Chair of the Jefferson Westside Neighbors (JWN) group and noted that JWN had recently become a finalist in the National Neighborhood of the Year competition. Mr. Conte noted that JWN and the Whitaker Neighborhood group each supported the selection of the West 6th/7th Avenue alignment alternative for the WEEE project. Mr. Conte maintained that the JWN's review and feedback regarding the West 6th/7th alternative had been critical to the Eugene City Council's unanimous decision regarding the West 6th/7th alternative. Mr. Conte further noted that Congressman Peter DeFazio had indicated to him in recent conversations that he was displeased with the fact that LTD had not effectively engaged the community regarding the LPA selection process. Mr. Conte noted that the WEEE project along the West 6th/7th Avenue alignment alternative would serve an area that the Eugene City Council had already designated for tax exemption business development programs and that the Council's decision regarding the LPA was reasonable.

Mark Callahan, 3621 Mahlon Avenue, Eugene, stated that from his own reviews of the information made available by LTD, that the District's own data showed that the West 6th/7th Avenue alignment alternative was not a viable transportation alternative.

Wendy Butler-Boyesen, 1265 City View, Eugene, supported the selection of the West 6th/7th Avenue alignment alternative and stated her belief that the development of the WEEE project along that alignment would benefit the social, economic, and environmental needs of the community. She further noted that the payroll taxes which funded LTD's transit services would be passed along to consumers and that opposition from local businesses regarding LTD's application of payroll tax revenues was misguided. She further noted that she had spoken to several local business leaders who supported the WEEE project.

Tommy Lane, 1431 Chelton Street, Eugene, commented that he was a long-time LTD bus rider and said that the public engagement process surrounding the WEEE project and the LPA selection had become overly politicized. He responded to recent opposing comments concerning LTD's public relations expenditures and said that it was conversely important to identify the funding sources used by EmX opposition groups. He urged LTD Board members and staff to continue the development of the WEEE project and stated his belief that a West Eugene EmX route would benefit the community.

Jozef Siekiel-Zdzicnicki, 1025 Taylor Street, Eugene, said that he believed that efforts to optimize LTD's regular bus services concurrent to the development of additional EmX routes would be unsuccessful.

Mr. Eyster responded to Mr. Macherione's comment regarding LTD's relationship with the Funk Levis marketing firm and noted that LTD had confirmed through its general counsel that its information campaign regarding the EmX system was legal and did not violate any federal tax laws.

ITEMS FOR ACTION AT THIS MEETING

MOTION Consent Calendar: Mr. Gillespie moved adoption of LTD Resolution 2011-005: It is hereby resolved that the Consent Calendar for March 16, 2011, is approved as presented. Ms. Towery provided the second. The Consent Calendar consisted of the minutes of the October 11, 2010, Special Board Meeting.

VOTE The Consent Calendar was approved as follows:
AYES: Gillespie, Eyster, Dubick, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
ABSENT: Evans (1)

MOTION West Eugene EmX Extension LPA Selection: Mr. Gillespie moved adoption of LTD Resolution 2011-006: It is hereby resolved that the LTD Board of Directors select the West 6th/7th/West 11th Avenue Mitigated Concept Alternative as the Board's preferred route for West Eugene EmX. Mr. Dubick provided the second.

Mr. Kortge stated that it would be difficult for him to vote in favor of the motion and hoped that further data could be provided regarding the operational costs and the overall viability of the alignment alternative. He stated his belief that further discussions were necessary regarding the future operational costs of the LTD system versus the EmX service.

Mr. Gillespie asked Mr. Pangborn what the impact might be should the Board postpone its decision on the motion when considered in relation to the MPC's upcoming meetings regarding the selection of the LPA.

Mr. Pangborn responded that the MPC was expected to vote on the LPA at its April 14, 2011, meeting, whereupon LTD staff would proceed with plans to complete further analysis of the alignment alternative and the WEEE project. He recommended that the LTD Board not postpone its decision regarding the motion so that the subsequent analysis could be performed without unnecessary delays. Mr. Schwetz concurred with Mr. Pangborn's recommendation.

Mr. Gillespie asked if further quantifiable data regarding the alignment alternative may be presented if the Board postponed its decision on the motion. Mr. Vobora responded that if LTD staff were to assume that the West 6th/7th Avenue alignment alternative was to be selected, then staff would be able to provide additional data at LTD's upcoming Board and Budget Committee meetings.

Mr. Schwetz noted that there was a significant amount of work to be performed regarding the subsequent analysis for the alignment alternative and recommended that the Board vote on the motion immediately.

Mr. Dubick voiced his appreciation for Mr. Kortge's previous comments regarding the motion, and noted that each of the Board members shared several of his concerns regarding the additional operating costs of the alignment alternative. He noted, however, that he had faith in the experience and abilities of the LTD staff to successfully implement the WEEE project and that he intended to support the motion.

Ms. Towery stated her belief that additional opportunities to improve the implementation strategies for the alignment alternative would be identified as the WEEE project moved forward subsequent to the selection of the Locally Preferred Alternative.

Mr. Necker asked if LTD would need to restart the LPA selection process from the beginning if the MPC did not ultimately concur with the Eugene City Council and the LTD Board's decisions regarding the LPA. Mr. Schwetz responded to Mr. Necker's question and noted that LTD may lose any opportunities to receive federal funding assistance for the WEEE project if it did not meet the August deadline to complete the analysis subsequent to the LPA selection.

Mr. Necker stated he intended to support the motion.

Mr. Eyster reminded the Board that BRT transportation strategies had been specifically identified in the Regional Transportation Plan and briefly noted several other factors that had contributed to the necessity for the continued development of LTD's EmX services.

Mr. Evans joined the meeting via telephone conference at 7:17 p.m.

Mr. Gillespie restated his motion for the benefit of Mr. Evans and the other meeting attendees.

Mr. Eyster commented that there were a significant number of unknown factors that may affect the construction and operation of the West Eugene EmX Route, but further noted his confidence in the District's ability to meet its previously stated goals for the WEEE project. He believed that LTD staff would indeed terminate the project if it ever reached a point where the District ultimately could not afford it. Mr. Eyster noted his continued support for the project and hoped that the Board would vote in favor of the motion.

Mr. Pangborn responded to Mr. Kortge's previous comments and noted that LTD staff would continue to compile and present data regarding the operational viability of the alignment alternative as the analysis process subsequent to the LPA selection moved forward.

Mr. Kortge maintained that LTD may only be able to meet its future contractual pension obligations by using funds that would otherwise be used for operational purposes. He stated his hope that any strategies involving further cuts to LTD's transportation services would be avoided.

Mr. Evans responded to Mr. Kortge's comment and suggested that the Board and the District may need to reassess the necessity of the WEEE project if the operational aspects of the alignment alternative could not be reconciled in a satisfactory manner. Mr. Evans noted that he would support the motion.

Mr. Eyster called for a vote on Mr. Gillespie's previously stated motion.

VOTE The motion was approved as follows:
AYES: Gillespie, Eyster, Dubick, Evans, Necker, Towery (6)
NAYS: Kortge (1)
ABSTENTIONS: None
EXCUSED: None

Mr. Evans excused himself from the meeting via teleconference at 7:24 p.m.

MOTION **REGIONAL CARSHARING PILOT PROGRAM:** Mr. Dubick moved adoption of LTD Resolution 2011-007: It is hereby resolved that LTD serve as the lead agency on the development of the Request for Proposal for a regional carsharing pilot program and provide ongoing management of that pilot program in Fiscal Year 2011-12. Mr. Gillespie provided the second.

Mr. Kortge said he appreciated the intent of the carsharing proposal but cautioned that the needs of the project might put undue burdens on staff resources. He suggested that Enterprise Rent-A-Car may be an agency that would be better equipped to move forward with the proposal.

Mr. Pangborn referred to the process by which LTD's Point2point, previously called Commuter Solutions, program had evolved and noted that the program had, among its goals, been intended to investigate the viability of certain alternative transportation strategies such as a regional carsharing program.

Ms. Brand commented that efforts to develop a regional carsharing program had developed as a strategy to reduce parking demand and to provide another transportation alternative to the community.

Mr. Gillespie noted from his experience with the City of Portland's Zipcar program that a regional carsharing program may be beneficial to the community.

Mr. Eyster noted that he intended to support the motion.

VOTE The motion was approved as follows:
AYES: Gillespie, Eyster, Dubick, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

MOTION **REVISED SERVICE POLICY:** Mr. Kortge moved adoption of LTD Resolution 2011-008: It is hereby resolved that the LTD Board of Directors hereby approves the Lane Transit District Fixed-Route Service Policy as presented on March 16, 2011. Mr. Necker provided the second.

Mr. Vobora noted that the Board had not updated LTD's service policy since 2004.

Mr. Vobora referred to the productivity standards in the proposed revised service policy and commented that the threshold productivity level of 67 percent was much higher than that of

other transit organizations.

Mr. Vobora noted that a college commuter category had been added to the productivity standards in order to more accurately describe the ridership data for college commuter express routes in certain areas of the District. Mr. Vobora further noted that a contracted category also had been added to describe the standards for the contract service provided to the Associated Students of the University of Oregon and the Associated Students of Lane Community College agencies.

Mr. Vobora suggested that the Board may wish to hold further discussions regarding the customer convenience standards and the 60-minute headway used in the route characteristics section of those standards.

Mr. Vobora noted that staff had identified 28 stops throughout the system to be deleted as part of a broader service standard that would allow the LTD transit system to run more efficiently without adversely affecting LTD's customers.

Service Planning Manager Will Mueller described the revisions to the service reliability standards portion of the revised service policy and noted that the proposed standard called for 90 percent of LTD's buses to arrive no later than two minutes off their end-of-trip arrival times at the Eugene and Springfield Stations.

Mr. Vobora commented that the automated data collection methods adopted by LTD to evaluate the performance of the system had provided much more accurate data but also had necessitated the adoption of more reasonable service standards.

Mr. Mueller commended the work of LTD's Information Technology Department staff and noted that they had helped compile very useful ridership data for the District.

Mr. Kortge said that he appreciated that staff had identified stops that could be eliminated in order to make the system run more efficiently.

Mr. Mueller, responding to a question from Mr. Kortge, noted that LTD's Service Advisory and Accessible Transportation Committees had been very helpful in identifying areas where the system may be improved.

Mr. Pangborn was pleased that LTD's evaluative processes and standards revisions had identified areas where LTD's transit system could be improved.

Mr. Gillespie stated that he had recently spoken with Mr. Mueller regarding revised arrival and departure times at Eugene Station. He noted that Mr. Mueller had provided very valuable information in that regard.

Mr. Eyster called for a vote on Mr. Kortge's previously stated motion.

VOTE The motion was approved as follows:

AYES: Gillespie, Eyster, Dubick, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

LTD SUPPORT FOR RAIL-RELATED LEGISLATIVE BILLS: Mr. Pangborn noted that Mr. Evans had received a request from State Representative Nancy Nathanson for a formal position of support on two pieces of rail and transit legislation.

MOTION Mr. Kortge moved adoption of LTD Resolution 2011-009: It is hereby resolved that the LTD Board of Directors supports HB 2860 and HB 2370 and directs the Board President to write a letter to the Oregon State Legislature indicating this support. Ms. Towery provided the second.

VOTE The motion was approved as follows:
AYES: Gillespie, Eyster, Dubick, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Mr. Gillespie noted that the Citizens Advisory Committee for the Central Lane MPO was scheduled to meet on March 17, 2011.

Ms. Towery noted that the EmX Steering Committee had met on March 1, 2011.

Mr. Dubick noted that pension trust matters had been discussed at the Human Resources Committee meeting on March 4. Mr. Pangborn added that additional pension discussions would be held during the committee's April 11 meeting.

Mr. Kortge said that he hoped that the Human Resources Committee would encourage the Board to hold serious discussions regarding the manner in which future pension obligations would be addressed.

Mr. Dubick noted that a pension survey had been distributed to LTD staff and that the results of the survey would be collected in time for the Human Resources Committee's April 11 meeting. The Board members and staff briefly discussed how the language of the survey materials had been presented as well as how the results of the survey may be reviewed by both the Board and the Human Resources Committee members.

Mr. Pangborn commented on the most recent meeting of the newly formed Lane Area Commission on Transportation (ACT) and noted that that group was currently recruiting citizen representatives.

Mr. Pangborn said that representatives from ODOT had presented at the most recent ACT meeting regarding funding for local highway improvements. He noted that the ODOT

representatives had indicated that there would be significantly less funding available for new projects for the foreseeable future.

Mr. Pangborn stated that the ACT was scheduled to meet on the second Wednesday of each month.

Mr. Eyster asked that Mr. Dubick consent to be appointed as the LTD representative to the ACT. Mr. Dubick agreed to be appointed as Mr. Eyster had suggested.

Mr. Eyster commented on the most recent meeting of the Metropolitan Policy Committee.

Mr. Eyster reported on a recent trip taken by LTD representatives to the United Front conference in Washington, D.C. He noted that the LTD representatives had met with FTA Administrator Peter Rogoff who had communicated his support for LTD and its ongoing projects.

Mr. Vobora noted that Mr. Rogoff had recently requested that LTD provide a brief summary of the history of LTD's EmX system.

Mr. Eyster noted that Mr. Evans had attended the APTA Board of Directors Executive Committee meeting in Washington, D.C., on March 13. Mr. Gillespie added that he had recently viewed a portion of those proceedings on C-SPAN.

Mr. Kortge commented that he had read an article in a recent issue of the Wall Street Journal regarding APTA's attempts to procure operational funding for various local transit projects.

Mr. Pangborn commented on the Transit Day event scheduled for April 6 wherein LTD staff planned to address the State legislature regarding a funding source for elderly and disabled dial-ride services, the value of the Business Energy Tax Credit for local transit systems, and bond funding for the WEEE project.

University of Oregon Transit Station - Phase One: Facilities Project Manager Joe McCormack provided an update on the funding and construction plans for first phase of the University of Oregon Transit Station.

Mr. Pangborn noted that the construction of the transit station had only been made possible by the funds recently made available through the Oregon Department of Transportation's Flexible Funds program.

Mr. Eyster noted that the ODOT funds for the transit station would allow other LTD funds to be repurposed toward other operational areas.

Mr. McCormack described the design process for the transit station that had been completed in the fall of 2010, including the various design elements of the transit station.

Mr. McCormack noted that real-time arrival and departure information signs for LTD buses had been planned as components of the new transit station.

Mr. McCormack stated that no traffic signals would be installed during the new construction, although there had been discussions during the planning process of how traffic signals might be used.

Mr. McCormack noted that construction of the transit station would take place over the summer of 2011, and further noted that the construction of the station would be performed concurrently to the City of Eugene's roadway and sidewalk improvements along adjacent areas of Alder Street from 18th Avenue to Franklin Boulevard.

Mr. McCormack described how a temporary University Station would be used to accommodate riders during construction of the new transit station.

Mr. McCormack, responding to a question from Mr. Kortge, reported that the City of Eugene's improvements to Alder Street would be performed at the same time as the construction of the new University Transit Station. He further commented that the City had completed approximately 75 percent of its design processes regarding the Alder Street roadway improvements.

Redistricting Due to 2010 Census Data: Mr. Pangborn distributed information regarding the most recent census results. He noted that although the community appeared to have grown, the subdistrict boundaries would not have to be moved substantially in order to balance the number of residents in each subdistrict.

Mr. Pangborn expressed that LTD had very little authority with respect to the redistricting from the most recent census and noted that the Secretary of State's office maintained that authority. He further noted that because the LTD Board was made up of appointed rather than elected officials, the LTD District would be one of the last to be addressed by the Secretary of State's office.

Mr. Pangborn noted that while the interior characteristics of the District may be affected by the 2010 census data, the exterior boundaries of the District would likely not be affected.

Monthly Financial Report - February 2011: Financial Services Manager Todd Lipkin stated from the February report that passenger fares had increased 6.3 percent from the same period during the previous year. He noted that a significant portion of increase had been attributed to increased fare collection from LTD's EmX service.

Mr. Lipkin stated that most of the 4.5 percent increase in payroll tax revenues had been attributed primarily to the recent rate increase. He stated that the staff would have further information regarding payroll tax revenues to present during the LTD budget committee meetings.

Mr. Lipkin reported that a significant portion of the 6.3 percent increase in materials and services expenditures had been attributed to the increased costs of fare collection and to the restoration of Point2point Solutions to the general fund.

Mr. Lipkin noted that LTD staff planned to update various Long-Range Financial Planning scenarios in preparation for the Board's April 11 Strategic Planning meeting and noted that fuel and pension costs were expected to be a major component of those efforts.

Mr. Lipkin did not expect that LTD would need to materially adjust its payroll tax revenue assumptions in relation to the District's other Long-Range Financial Plan efforts.

Mr. Lipkin stated that the LTD Budget Committee was also scheduled to participate in the April 11 Strategic Planning Meeting.

General Manager Search Committee: Senior Human Resources Analyst David Collier stated that the Generator Group consulting firm had posted notice of the LTD General Manager position at the end of February and that it would remain open until the end of March. He reported that 37 applications for the position had been received to date.

Mr. Collier stated that staff would return to the Board on March 28 with representatives from the Generator Group to provide another status update regarding the general manager search process. He anticipated that a short list of suitable interview candidates for the position would be determined by the end of April.

Mr. Eyster thanked the LTD staff for their hard work regarding the WEEE project and the LPA selection process in particular. He acknowledged their efforts on behalf of the Board and expressed his appreciation for the staff's continuing commitment to the District.

Ms. Towery said she agreed with Mr. Eyster's comments and further noted her hope that the community could learn how to deal constructively regarding high-profile and contentious projects such as the West Eugene EmX Extension. She further noted that staff had shown a remarkable level of professionalism and courtesy in addressing community support and opposition responses to the WEEE project.

Mr. Pangborn thanked Ms. Towery and Mr. Eyster for their comments on behalf of the LTD staff.

ADJOURNMENT

Mr. Eyster adjourned the meeting at 8:25 p.m.

MINUTES OF EXECUTIVE SEARCH COMMITTEE MEETING
LANE TRANSIT DISTRICT BOARD OF DIRECTORS
March 31, 2011

Pursuant to notice given to *The Register-Guard* for publication on Sunday, March 27, 2011, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Executive Search Committee was held on Thursday, March 31, 2011, in the LTD Conference Room at 3500 E. 17th Avenue, Eugene.

Present: Michael Eyster, Committee Chair, presiding
Michael Dubick
Greg Evans
Doris Towery
David Collier, Senior Human Resources Analyst
Jeanne Schapper, Administrative Services Manager/Clerk of the Board
Susan Oldland, Administrative Secretary, Human Resources/Recording Secretary

Absent: Gary Gillespie

CALL TO ORDER: Mr. Eyster convened the meeting and called the roll at 8:32 a.m. Mr. Evans arrived at 8:37 a.m.

GENERAL MANAGER INTERVIEW PROCESS: Mr. Eyster said that the Committee had several issues to discuss. He had two in-depth conversations with Enrique Washington and Will Scott of the Generator Group, and Mr. Collier had participated in one of them. Mr. Eyster stated that there was an ongoing conversation about how to handle the itinerary for the candidate interviews and the extent to which the candidates were exposed to the general public. The tentative plan was for them all to be in Eugene on the same days. There were questions about whether LTD should place the candidates together intentionally, keep them apart, or let chance determine whether they saw each other. Mr. Eyster added that he would like to end the meeting with a rough itinerary of what would happen while the candidates were in town and how long they would be there. He said there also was a question about affirmative action that he wanted to confirm with the Committee, and also a third issue regarded salary. He said that LTD seemed to be right in the ballpark, but there could be a candidate who was making more money and might want to negotiate upward. He said he was assuming that for \$10,000 or \$15,000, LTD would not want to lose a candidate, but he wanted to check that with the rest of the Committee. LTD had not advertised a salary at that point, but there had been some verbal conversations with the Generator Group.

Public Process: Mr. Dubick had checked with the Eugene 4J School District about their recent hiring process for superintendent. Mr. Dubick reported that he did not hear a lot of pushback from the community about how 4J conducted the process. All the candidates had known that it was going to be a public process but did not know the details. No one backed out because of that. Mr. Dubick said that the school board conducted two interviews with the candidates, one on the first day and one on the second. There were "meet and greets" with stakeholders, which entailed 30 minutes of question-and-answer conversations but were not interviews. Out of 46 stakeholders who were invited, there were 27 participants. Mr. Dubick suggested that there could be employee stakeholders and community stakeholders in separate groups because the topics in those groups likely would be different. The 4J candidates had introduced themselves and had a question-and-answer period individually with the separate stakeholder groups. Afterward, the participants filled out rating cards that went back to the school board members, who were looking mainly for consistency of

message—that the candidate was not saying one thing to the staff and something else to the community participants. They wanted someone who would be consistent and straightforward. At LTD, the number of groups would be determined by how many candidates and community members the Board wanted to include.

Mr. Dubick said that on the second day, the school board had received some of the feedback from the comment cards before the second interviews. There also was a 30-minute public forum with each candidate. The public submitted written questions, which the HR department vetted in order to remove duplications and inappropriate questions. Mr. Dubick said that a question to consider was whether the LTD Board wanted to make a decision on the second day or would come back on a different day to decide. Mr. Eyster thought the Board would want to have some time to deliberate.

Mr. Dubick's contact at 4J, Celia Feres-Johnson, had said that the school board had been happy with the process. Some of them were at each of the public forums, but just sat in the back to observe how the candidate interacted with people and dealt with questions. Ms. Feres-Johnson also said that this was the most transparent community she had ever worked in, and thought that the public had been very happy with 4J's process. Mr. Eyster said that Mr. Washington and Mr. Scott were concerned that a process like this would discourage candidates. He said that the Executive Search Committee needed to give this careful consideration because the Board would have to balance discouraging the candidates against discouraging the community. He stated that LTD knew the community, whereas the Generator Group could not possibly know how unique this community was. Ms. Towery said that the candidates' concerns were legitimate; however, recalling that when a former Eugene city manager's name was leaked when he was interviewing in another state, it became a difficult situation here with his councilors. Mr. Eyster commented that some of that would be beyond LTD's control. Ms. Towery understood that but wanted the Committee to understand that there would be legitimate concern on the part of the candidates; because if they were not the successful candidate, their jobs could then be in jeopardy.

Mr. Dubick said he thought that once the candidates came to Eugene, that would be public. Mr. Eyster agreed. Mr. Evans said he had talked with a few other transit board members about hiring. In Austin, Texas, the candidates were on public television, and some of the finalists believed that this had been detrimental to their personal careers. At that time, the field had not been narrowed to just two or three candidates.

Mr. Eyster asked the Committee to consider doing its best to narrow the group to three so that the candidates would know they had a one-in-three chance; and then, once the candidates came to Eugene, their candidacy would be public information. Ms. Towery said that the public process was very important; however, she also understood the need to balance the public process with the chance that it could cost someone his or her job, so this needed to be managed carefully.

Mr. Dubick said that the candidates should know that when they were coming to town, they would be interviewed, they would have "meet and greets" with different stakeholder groups, and the process had to be public. He said that anyone applying for a job at this level could not expect it to remain private. He also thought that three candidates would be plenty. Ms. Towery agreed, noting that LTD would have to pay for at least some of the candidates to come to Eugene.

Mr. Collier commented that when internal candidates were involved, some external candidates might be leery of the public process, wondering if the hiring was already decided

and if the Board might just be going through the motions. Mr. Eyster reiterated the need to assure all the candidates that this was a wide-open process. The Committee agreed.

Mr. Evans had heard through American Public Transportation Association contacts that LTD's general manager position was considered a premier position. He thought that the District would be receiving excellent applications.

Ms. Towery asked about the deadline for applications. Mr. Collier explained that it was not a hard deadline, and actually was imminent. He said the posting would be taken off LTD's Web site that day, and the Committee would be receiving information on the recommended candidates the following week.

The Committee members agreed that they should try to narrow the list of candidates to three, with the understanding that once the candidates accepted the invitation, their names could be released. The candidates also should understand that once they arrived in Eugene, they would be involved in a public process; so they might want to exercise their judgment about what to tell their board or jurisdiction.

Mr. Eyster thanked Mr. Dubick for his research on the school district hiring process.

Stakeholder Groups: Mr. Eyster wanted to make sure that the Board was deliberate and thoughtful about the stakeholder groups so that community members were given opportunities to give the Board feedback about the candidates. He asked the Committee to talk about whom those stakeholder groups would represent. The Committee then brainstormed ideas about who could be included. Ideas expressed included governmental groups, both elected and staff; those who represented social services and ridership groups; business representatives, including the chambers of commerce; employees; the Amalgamated Transit Union; the school districts because of student bus services; and community groups. Mr. Dubick suggested that the interest groups could be focused in three areas: governmental agencies, ridership-related representatives, and an internal group of staff and union representatives. He added that LTD should be clear that these groups would not be making the decision for LTD; rather, they would be providing information for the Board to consider. The Committee members agreed with both of these suggestions. They also suggested that someone should be present to guide the questioning away from any inappropriate topics, and that the legal issues around questioning should be made clear. Mr. Collier added that Mr. Washington had stressed that this was important for the duration of the candidates' time in Eugene, not just during the actual interviews. Mr. Eyster concurred, saying that the candidates would be interviewing the entire time they were in Eugene-Springfield; i.e., anytime anyone related to the process would be interacting with them.

Mr. Collier suggested scheduling time for the candidates to see the community. Ms. Towery agreed that this would be important, especially if they brought spouses who wanted to see schools, housing, etc., while the candidates were involved in the interview process. She explained the City of Springfield's process of using a buddy system in which their board or staff welcomed candidates and responded to questions about the area, etc., which she thought had been very helpful. She also appreciated having a basket of local items to welcome candidates, and thought that an opportunity to spend some time with a realtor could be welcomed by some candidates and/or spouses. Mr. Collier mentioned providing informational materials from Travel Lane County, as well.

Mr. Eyster reviewed the major items the Committee wanted to cover during the candidates' time in the community. Those included touring the community, including schools and

neighborhoods; touring the transit system; and touring the Glenwood facility. He stated that LTD would cover hotel, transportation, and food for the candidate, but would not cover expenses for a spouse or partner. There was some discussion about covering rental car expenses. However, the Committee liked the idea of the buddy system, having someone available to take the candidates around, and encouraging them to use the bus rather than drive.

The Committee also agreed to three stakeholder groups: internal (union and nonunion combined); community leaders; and ridership and social services; and agreed to hold a public forum. The public forum would be open to anyone who wanted to attend, not just invited guests; would have a moderator to provide structure; and could include comment cards. Mr. Evans suggested that the candidates make a brief presentation and then take questions. Mr. Dubick suggested having someone screen the questions. Ms. Towery suggested that the stakeholder sessions be more formal than just a "meet and greet," with prepared questions for the stakeholders. This would help the Board hear from the stakeholder groups about the critical attributes that the Board wanted from its general manager, and to be as certain as possible that the final candidate could be successful at LTD. She thought that the stakeholders could suggest some of the questions themselves. Mr. Collier agreed to work with Elaine Lees of the Generator Group on suggesting questions, as well.

Mr. Eyster also liked 4J's idea of two sessions with the Board. Mr. Dubick suggested that there could be one set of questions for the first session, and then a second set after hearing community and employee input.

Mr. Eyster asked the Committee to consider whether the Board should send one or more Board members to visit a candidate's community. Mr. Dubick asked how many candidates this would involve. Ms. Towery said it would be ideal if the Board agreed on a final candidate, but then would have to be prepared to go to a second candidate's community if they learned something at the first that would preclude hiring that person. The Committee agreed that they were inclined, as part of this process, to have one or more Board members visit the final candidate's community. The Board members would try to talk with enough members of the community to hear a balanced perspective of the candidate's performance within that community. The Board members also would need to use connections made there to obtain introductions to different groups or individuals. For internal candidates, the Board would know something about the candidates already, but also may want to do more research on them, as well.

The Committee agreed to include some former Board members in the process, noting that their perspectives could be helpful in determining the desirable and undesirable characteristics of a future general manager. Mr. Evans suggested asking former General Manager Phyllis Loobey to participate in some way as a courtesy, because she also may have a different perspective on the hiring process.

Mr. Eyster suggested an internal "meet and greet" for employees. It was determined that individual time with General Manager Mark Pangborn should occur after the candidate was selected and not as part of the interview process, and could occur in telephone conversations if the new general manager were proactive in calling Mr. Pangborn.

April 28 and 29 had been held on Board members' calendars for this interview process. Mr. Eyster asked Mr. Collier to start developing a schedule for these two days. There was some discussion about location, which was left up to Mr. Collier to determine.

It was agreed that the Generator Group would be asked to be present during the process and interviews, but not be involved in asking questions. They could be helpful as a resource, to supply more information about candidates before the interviews, or to observe the process and answer procedural questions.

NEXT MEETING: The next meeting was scheduled for April 11, 2011, following a Board work session. The Committee members would be receiving information on eight to ten candidates on April 8 so would need to spend the weekend reviewing the information individually in order to prepare for an executive session on April 11. Mr. Eyster stated that a legal requirement that needed to be met before holding this executive session was to provide an opportunity for public comment. Therefore, a public comment period would be provided on April 11 during an open meeting. The Board work session was now planned for 1:00 p.m. instead of in the morning. The open meeting with the public comment period would be held at 5:30 p.m., and then the Search Committee would meet in executive session.

Mr. Evans asked about a scoring sheet or matrix for the candidate information. Following Committee agreement, Mr. Eyster said that he would ask the Generator Group to provide a document for the Committee to use.

Mr. Dubick asked if the Board would come out of the executive session and take any action. He clarified with those present that the Committee would narrow the list of finalists to three, but would not come out of the executive session and announce those names. Mr. Eyster inquired whether the full Board should join the Committee for the meeting on April 11. Ms. Towery said that the Board had authorized the Committee to recommend the finalist candidates. However, Mr. Eyster wanted to make sure that the full Board knew that this was what the Committee planned to do. He asked to be on the agenda at some point in the April 11 Board work session to say that it was the intent of the Executive Search Committee to narrow the field to three candidates that evening.

There was some discussion about when to announce the three finalist candidates' names to the public. The Committee agreed that they would first need to check with the candidates to be sure they still were interested in the position and wanted to move forward in the selection process, knowing that their names would be made public at that time.

The Committee also discussed having a fourth finalist in case any of the final three decided not to continue with the process, or possibly just having two final candidates involved in the interview process.

Mr. Dubick asked to clarify specifically what LTD would be asking the public for in the public comment period before the executive session. Ms. Schapper replied that Oregon statute required that an opportunity be provided for public comment regarding the standards and criteria used to evaluate the general manager, and that she would clarify with LTD's legal counsel whether that meant that a public hearing was required. Mr. Eyster wanted to clarify at the April 11 meeting that the Generator Group had been in the local area for two days talking with a lot of people in the community to determine what was needed in a general manager, so that the documents that would be provided on April 11 were not developed by LTD alone, but already included a lot of public input. Mr. Dubick said that he did not want to start all over again, but was interested in any additional input that members of the public would like to provide.

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Mr. Eyster brought up one last issue: he said that the Generator Group had been asked if the Board would hire the underrepresented candidate if two candidates' qualifications seemed equal. Mr. Eyster had replied that it would be unusual to find two candidates who were exactly equal, but if that issue were to arise, he did not know why LTD would not hire the underrepresented candidate. Mr. Eyster said that this had been his direction to the Generator Group, and that it was the Board's desire to broaden LTD's diversity. He then asked for feedback from the Committee members.

Mr. Evans said that this went back to case law. He agreed that it would be a very rare situation when there would be identically equal candidates, but if that were the case, and if LTD was underrepresented in any particular group, then LTD should defer to that candidate. Mr. Dubick agreed that it would be a rare situation, and "fit" with the organization also had to be considered, but that if there was a desirable candidate who was a good fit, the Board would hire that person. Ms. Towery also expressed the importance of making sure that any minority candidate would be happy and comfortable in this community and was well aware of the environment that he or she would be coming into. Mr. Evans noted that the transit industry in the U.S. was highly diverse from the top down, so candidates were aware that there were possibilities for executive leadership positions throughout the country.

ADJOURNMENT: There was no further discussion, and Mr. Eyster adjourned the meeting at 10:20 a.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF LANE TRANSIT DISTRICT BOARD OF DIRECTORS
EXECUTIVE SEARCH COMMITTEE MEETING

April 11, 2011

Pursuant to notice given to *The Register-Guard* for publication on April 7, 2011, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Executive Search Committee was held at 6:00 p.m. on Monday, April 11, 2011, in the District's conference room at 3500 E 17th Avenue, Eugene.

Present: Michael Eyster, Chair
Michael Dubick
Greg Evans
Gary Gillespie
Doris Towery
Mark Pangborn, General Manager
David Collier, Senior Human Resources Analyst
Susan Oldland, Human Resources Administrative Secretary/
Recording Secretary

CALL TO ORDER: Mr. Eyster called the meeting to order at 6:02 p.m. and called the roll.

MOTION **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(a):** It was moved by Mr. Gillespie and seconded by Mr. Dubick that the Board meet in Executive Session pursuant to ORS 192.660(2)(a) as related to considering the employment of a public officer (general manager).

VOTE The motion was approved as follows:
AYES: Evans, Eyster, Dubick, Gillespie, Towery (5)
NAYS: None

The Board entered Executive Session at 6:03 p.m.

RETURN TO REGULAR SESSION: The Board returned to regular session at 7:31 p.m.

MOTION **APPROVAL OF MINUTES:** Mr. Gillespie moved approval of the minutes of the November 16, 2010, Executive Search Committee meeting as written. Ms. Towery provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Towery
NAYS: None

OTHER BUSINESS:

Legal Opinion From Arnold Gallagher: Mr. Pangborn informed the Committee that LTD had received a written legal opinion from legal counsel, Arnold Gallagher, confirming their verbal opinion authorizing staff to expend funds for purposes of

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communicating information explaining West Eugene EmX. He said that these types of legal opinions are not typically public documents due to attorney/client privilege; however, the opinion was worded in order to allow release to the public.

Mr. Gillespie asked for clarification on this issue, and Mr. Pangborn explained that Our Money Our Transit is suing the City of Eugene claiming that the City did not follow proper procedures in approving the locally preferred alternative. The funds will be used for LTD staff during the course of the lawsuit to explain further how bus rapid transit works.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 7:34 p.m.

MINUTES OF LANE TRANSIT DISTRICT SPECIAL MEETING/WORK SESSION

LANE TRANSIT DISTRICT

Monday, April 11, 2011

Pursuant to notice given to *The Register-Guard* for publication on April 7, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of Lane Transit District held a Special Meeting/Work Session on Monday, April 11, 2011, beginning at 1:00 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present:

Lane Transit District:

Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Mike Dubick
Greg Evans
Doris Towery
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Linda Henry, Minutes Recorder #1
Katie Dettman, Minutes Recorder #2

Budget Committee Members Present:

Peter Davidson
Warren Wong
Edward Gerdes
Jon Hinds
Don Nordin

CALL TO ORDER: Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors to order at 1:02 and called roll. With the exception of Greg Evans, all Board members were present. He welcomed the Budget Committee members who were present.

Mr. Eyster announced that today's meeting was in lieu of the April 20, 2011, LTD Board of Director's meeting. He congratulated Mr. Gillespie for his recent re-election as President of the American Federation of State, County, and Municipal Employees Council 75.

WORK SESSION WITH LTD BOARD BUDGET COMMITTEE

Mr. Pangborn offered an overview of the budget process, noting that this was a tumultuous time in the public sector, with a potential shutdown of the federal government and a battle looming with the debt limit that may affect LTD. There also were challenges at the state level. Staff were taking a conservative view of what the outcome may be.

Current Long-Range Financial Plan Assumptions: Director of Finance and Information Technology Diane Hellekson provided a review of the current Long-Range Financial Plan assumptions. She said that most of the major assumptions provided to the Board in December 2010 remained valid in February 2011 with one major exception; fuel costs were revised upward before the revised plan was approved by the LTD Board. Since February 2011, fuel costs had continued to rise, and the \$3.00 per gallon average assumed for FY 2011-12 is no longer likely. Additionally, early in the current State Legislative session, it was assumed that the Business Energy Tax Credit (BETC) programs would continue; but it now appears that all BETC programs will sunset in FY 2011-12.

Ms. Hellekson reviewed the general assumptions, strategic assumptions, and revenue and expense summaries. Staff recommended that the Board increase the assumption for the average cost of fuel in FY 2011-12 to \$3.75 per gallon; eliminate revenue from the BETC program after the legislation sunsets in FY 2011-12; and offset, but not replace the loss of the Student Transit Pass Program with revenue from the sales of youth passes.

Local Economic Factors and Trends: Ms. Hellekson reviewed the local economic factors and trends, noting that the revenue had been fairly consistent for the period of 2007 to 2009. Staff recommended that the Board discuss the topic and, if there was consensus at the work session, staff would incorporate the input into future Long-Range Financial Plan revisions. The creation of a new restricted fund would require extensive research and effort by a work group, which would bring a recommendation to the full Board.

Mr. Pangborn stated that LTD did not face a deficit situation as previously predicted based on the assumptions of a modest growth in the payroll tax base and a loss of state revenue. LTD had planned to replace older, less-efficient buses by borrowing the money, but received \$8.3 million from a grant from the federal government to fund 24 new buses.

State and Federal Climates: Director of Service Planning, Accessibility, and Marketing Andy Vobora said that additional funding for Accessible Services was obtained from the 2009 legislative session in an amount of \$1 million per year for over two years. This additional funding will not continue past FY 2010-11.

Lane Transit District also has requested matching funds for the West Eugene EmX Extension (WEEE), a request that is assumed will be funded. Lottery bond funds of \$1.6 million, approved in the 2009 session, will be available to support the continued planning of WEEE.

In response to a question from Mr. Eyster, Mr. Vobora said that if LTD did not receive the second and third installments of lottery funds, the funds could be reallocated for education, economic development, and restoration programs within the state.

Mr. Pangborn clarified that the legislature had the authority to sell bonds backed by lottery dollars. If the WEEE project did not move forward, the State would reallocate LTD's allotment to other projects.

Mr. Vobora stated that in 2009 the Oregon Legislature approved an increase of the maximum payroll tax rate, and that LTD would not consider beginning the ten-year implementation process until after January 1, 2015. The 2011 State Legislature was considering legislation that would place restrictions on raising the tax rate and in allocating capital funds for transit projects. The federal budget continued to be debated in Washington, D.C., leaving agencies with uncertainties regarding grant funding. It was clear that congressionally directed spending or earmarks would not occur through the appropriations process used in recent years. The Federal Transit Administration would offer grant opportunities that LTD could seek in order to pay for the Gateway Park & Ride project and the fourth EmX corridor planning. Federal formula funds (5307) were approved at current levels through the current federal fiscal year. Staff recommended that the Board should assume that BETC programs would be eliminated and 5307 funds would be maintained and increased to 2.5 percent under a new transportation bill.

Mr. Gillespie asked if federal rail funding that was being refused by some states would be reallocated.

Mr. Vobora stated that Mayor Kitty Piercy delivered letters related to rail funding signed by the mayors in cities along the Interstate 5 corridor to federal officials during the recent United Front trip.

Mr. Pangborn stated that the governors of Florida and Wisconsin had said they would not move ahead with federally funded rail projects. Some members of Congress wanted to cut those funds from the federal budget.

Fuel Cost: Director of Maintenance George Trauger reviewed the history of oil prices, noting that the price was around \$16 a barrel in 1999, and oil reached a peak of \$147 a barrel on January 2, 2008. The FY 2011-12 Budget assumed diesel fuel would cost an average of \$2.40 per gallon, and actual costs from July 1, 2010, through April 6, 2011, were \$2.64 per gallon. Staff recommended the Board assume an average price of \$3.00 per gallon in FY 2011-12 and that the cost would increase 3 percent per year in the future.

New Investment Priorities: Ms. Hellekson said that while the possibility of new investment was not on the horizon for several years, staff believed it would be helpful to get a sense from the Board and Budget Committee on their priorities when opportunities arose in the future. Such opportunities could include the following:

- The creation of restricted operating reserves
- Restoration of service
- Expansion of service
- Reducing unfunded liabilities such as pension and Health Reimbursement Arrangement accounts
- Setting aside local match for future capital projects

Mr. Wong said that he believed that all of the opportunities were worthwhile, but he was not convinced that restricted operating reserves provided additional protection for the funds. He suggested that the Board rank the opportunities for funding as money became available.

Mr. Dubick said that if the list was prioritized, he would put restricted operating reserves on the bottom of the list. He was concerned about unfunded liabilities and would prefer to address those issues first.

Mr. Kortge suggested identifying and prioritizing service issues.

Mr. Nordin suggested making intermodal transport between buses and bicycles more visible, convenient, and easy.

Ms. Towery supported prioritizing the list and putting unfunded liabilities at the top of the list, followed by service. She added that prioritization would open up opportunities for additional public input and engage the public in a proactive way.

Mr. Hinds supported prioritizing the list to determine the long-term service flat-line base provided to the community in a manner that prevented the frequent increases and decreases to service levels.

Mr. Gillespie supported prioritizing the list. He heard no discussion by the Committee of increasing revenue through new revenue streams. He added that he wanted to improve the connection between LTD service and Amtrak arrivals from Vancouver.

In response to a question from Mr. Wong, Ms. Hellekson reviewed the operating reserve history, observing that payroll taxes stabilized in the late 1990s. The Board created the reserve, setting \$1 million for LTD's self-insured program, \$1 million for current-year working capital, and \$1 million for future working capital. She suggested the operating reserve should be revisited.

Mr. Wong supported revisiting the program, noting that the operating budget was increasing, and \$3 million needs to grow as the operating budget increases.

Mr. Gerdes agreed with prioritizing the list and putting unfunded liabilities at the top.

Mr. Dubick said that a sustainable level of service versus restoration or expansion of services should be prioritized before other issues were addressed.

Ms. Hellekson said that staff would develop a process for prioritizing for review by the Committee.

Mr. Kortge expressed interest in the fuel price hedging issue. He said that if LTD's interest was in transporting people, its expertise may not be in hedging.

Mr. Eyster concurred with Mr. Kortge.

Mr. Trauger had discussed the issue with LTD's fuel supplier. He said hedging may be a way to hold the line with spiraling prices. Although it would add about seven cents per gallon, he understood the contract would be in effect for 30 days. If fuel costs decreased during the contract period, the lower amount would be paid.

Mr. Gillespie said that LTD would be better off estimating on the high side if it could adapt a lower price back into the General Fund revenue, rather than estimating on the low side and needing to make up the difference elsewhere. Previous data showed that when gas reached \$4.00 per gallon, everybody rode the bus. He was less conservative on the pension plan. A problem was that employers did not own up to their liability, and it was important for LTD to fund that liability. He noted that a number of people responded that LTD should encourage an early retirement plan, but public employers had been slow to move to that option.

Mr. Wong suggested that staff conduct a mid-year review of the FY 2011-12 Budget looking at the cost of fuel as well as the actions of the 2011 Oregon Legislature and the U.S. Congress, and make necessary adjustments. It was possible that the budget line for fuel would be lowered and those funds reallocated to support something else.

Mr. Pangborn stated that LTD had done mid-year reviews in the past.

Ms. Hellekson added that mid-year reviews drove the combined citizen Budget Committee/Board work sessions in November and December.

Mr. Kortge thanked staff for reframing the information and creating a new business model with which to move forward.

In response to Mr. Eyster's question related to the payroll tax, Mr. Gerdes said that he was still pessimistic because of the loss of a huge segment of the manufacturing industry in the community, which would not be replaced by service sector employment. He thought that high unemployment rates would continue until those jobs were replaced.

Mr. Gillespie noted that jobs that had replaced those manufacturing jobs had lower wages, fewer benefits, and fewer hours.

RECESS: Mr. Eyster called a brief recess at 2:34 p.m.

RECONVENE: Mr. Eyster reconvened the meeting at 2:50 p.m.

Wages and Benefits: Mr. Pangborn said that wages and benefits had been one of the most current and contentious issues in public sector budgets, noting that 71 percent of LTD's operating budget was wages and benefits.

Director of Human Resources and Risk Management Mary Adams said that LTD regularly reviewed wages and benefits to ensure that this part of the budget was well managed. She explained that the Board was recently given a pension values questionnaire to help with the design of a future pension plan. She reviewed the results of the questionnaire, and she explained that both the salaried and ATU pension plans were similar and had a defined benefit element. Both plans experienced significant losses in value during the 2008-09 investment market downturn and have had moderate recovery since. Due to the level of unfunded liability, the benefit would grow at a faster rate than projected revenues in the future. Approximately two-thirds of LTD's contributions to the union plan pay for the unfunded liability of the plan, and one-third of the contributions pay for the future liability of the plan; while the formula was approximately 50/50 for the administrative plan.

Mr. Gerdes asserted that LTD needed to move towards a defined contribution retirement plan and away from a defined benefit retirement plan.

Ms. Towery concurred that there needed to be a shared responsibility and/or employee contribution to the pension plan.

Mr. Wong supported a shared responsibility in conjunction with a 457 program, where the employee contributed to the retirement plan and perhaps took the responsibility for picking the investment options. The employer's contribution was more stable and would result in a defined benefit.

Mr. Gerdes said that he believed in matches on the shared piece to incentivize people to participate in the plan by taking some responsibility for their retirement issues.

Mr. Gillespie stated that his employer, the City of Eugene, provided a matching contribution for its deferred compensation program for non-represented employees, but did not provide a matching contribution for represented employees. This had resulted in a move away from participation in the program by represented employees because they did not receive the match. He asserted that virtually no employee was equipped to deal with their own investment plan. He supported the shared responsibility, but there was an inherent inequality in the relationship.

Mr. Eyster said that as an employee, he preferred to have control over his investments rather than have them be controlled by his employer. He stated his opinion that LTD bus drivers were very capable of directing their retirement funds. He said employees should have the option to choose a professional investment manager. He said that he leaned toward a defined contribution by LTD.

Mr. Dubick stated that an underlying issue was shifting the investment risk entirely from the employer to the employee, as happened in the private sector. He encouraged creation of a future plan that would limit LTD's unfunded liability. He struggled with LTD treating employees in a paternalistic manner by totally directing their investments.

Mr. Gillespie noted that professional employees in the public sector were generally paid less than professional employees in the private sector, whereas classified employees in the public sector generally had better benefit packages than their private sector counterparts but were paid less. He asked how LTD would attract qualified professional employees if it did not have the ability to provide cost of living increases or other benefit enhancements.

Ms. Adams said that LTD's actuary would be asked to provide some draft designs that would meet the values discussed today for review by the Human Resources Committee on April 26.

Ms. Adams reviewed the recent history of the health plan at LTD. She noted that there was a need for plan changes. The current plan had a high utilization, and premium renewal quotes were more than 20 percent higher than the current year. She said that all employees were currently on the same health care plan, with higher deductibles than in previous years. LTD provided some reimbursement for those employees with higher plan utilization. LTD continued the model of a contribution towards the Voluntary Employee Beneficiary Account (VEBA) and a health reimbursement account for administrative and represented employees, to provide a source of funds for employees who experienced an unusual health year and for stop loss benefits for all employees. Under the new plan, there had been three months of utilization with about 20 percent lower utilization than the last two years. Other issues that would impact the health plan were new State of Oregon health exchanges, unknowns about federal reform, an aging workforce, and national trends towards obesity and poor health habits. Staff continued to research changes that would provide for better disease management, noting LTD currently had an aggressive disease management program for diabetic employees. LTD was participating in a two-year Oregon Health Strategies project that assessed the costs of all benefits, including workers' compensation, group health, and absenteeism to determine where employers best spent their time and energy to reduce the overall costs of benefits.

Ms. Adams reviewed the history of the last four labor contracts: The 2000 contract included a 4 percent annual increase; the 2004 contract had a 2 percent annual increase; and the 2007 contract had a 3.4 percent annual increase. The current one-year contract contained no increase. Negotiations were underway for the next contract. The national trend was approximately 2.5 percent in 2010. The transit industry had recognized the Country was in a recession, and recent contracts had changed substantially in the wage increase area. LTD was in the mid-range for bus operators and on the high side for mechanics.

Mr. Gillespie asked what the average overtime was for bus operators and mechanics.

Director of Transit Operations Mark Johnson said that bus operators worked approximately 12,000 scheduled and unscheduled overtime hours annually.

Mr. Davidson left at 4:20 p.m.

Mr. Evans arrived at 4:22 p.m.

Mr. Trauger stated that the mechanics do not work much overtime.

Ms. Hellekson summarized the discussion: a new health plan would likely be in place by January 1, 2012; the Committee was okay with \$3.75 per gallon for fuel in 2011-12; all major assumptions needed to be revisited in the fall; and staff would create a process for prioritizing new investment opportunities. She said that Mr. Gerdes had asked if the retirement plans could lend money to LTD, and could the retirement plans invest in private businesses during the budget process last fall. Staff had researched the questions and determined that both actions were possible. This would be added to a future Finance Committee agenda for discussion.

RECESS: Mr. Eyster thanked Budget Committee members for attending the meeting. He called a brief recess at 4:25 p.m., noting that the Board would reconvene in Executive Session after the 10-minute recess.

RECONVENE: Mr. Eyster reconvened the meeting at 4:35 p.m.

MOTION EXECUTIVE SESSION: Mr. Kortge moved that the LTD Board of Directors meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Eyster, Necker, Evans, Towery, Kortge, Gillespie (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Board entered executive (non-public) session at 4:35 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 5:35 p.m.

AUDIENCE PARTICIPATION

Bob Macherione, 1994 Brewer, Eugene, stated that Our Money Our Transit (OMOT) was not the enemy of LTD just because the group felt that it needed to provide input and act as a watch dog. He had read the LTD Long-Range Financial Plan, and he said that it was difficult to forecast budgets this far into the future. Referring to the Ending Working Capital portion of the Plan, he noted that more than \$8 million would be spent over the next five years just trying to balance the budget. In this process some Accessible Services money would be lost. He noted that the budget assumed 5307 funds, which comprised a sizable portion of operating funds, were coming. These funds were used for preventative maintenance and comprised between \$3.5 million (in FY 2010-2011) and \$4.2 million (in FY 2018-2019) of the budget. However, if the Transportation Bill did not come out the way LTD anticipated, he said that a massive shortage would occur. He did not know if this would be recoverable or sustainable without more service reductions.

Mr. Macherione said that he wanted LTD to be fiscally responsible and sustainable into the future. He acknowledged that the West Eugene EmX numbers had been recalculated and were more accurate possibly in part because the numbers now anticipated fuel cost increases. He was concerned that with the new numbers, the West Eugene EmX seemed even a less viable, sustainable project. He thought that LTD had gotten the short end of the stick because it had been told to send the next EmX extension down W. 11th. He suggested consulting with businesses prior to making such a decision in the future. He noted that had this been done, LTD would have known that there was a lot of opposition to EmX's location on W. 11th, and then they could have shared this with the Eugene City Council. Another item that was not addressed in the long-range planning was unfunded liabilities. He did not think that LTD could continue to ignore these liabilities, and he thought that the most important thing that LTD could focus on was maintaining service into the future in the most efficient, sustainable way.

Mr. Vobora noted that the 5307 funds listed on the Long-Range Financial Plan were only those funds that would go toward preventative maintenance. Not all 5307 funds were included on the document. Unless a large cut was made to 5307 funds, such as fifty percent, the preventative maintenance dollars would be maintained.

Mr. Macherione said that he understood, and then he noted that 5307 funds for operating purposes was a dangerous thing to rely upon.

ITEMS FOR ACTION AT THIS MEETING

General Manager Selection Process: Senior Human Resources Analyst David Collier referred to the general manager position proposed timeline and noted that Mr. Pangborn's departure date had been changed from June 1 to June 30. Mr. Collier then referred to the Company Position Overview that had been provided by the Generator Group, which was based on input from community members, LTD staff, and Board members.

MOTION **LTD Resolution No. 2011-010:** Mr. Evans moved approval of LTD Resolution No. 2011-010, approving the standards, criteria, and policy directives for the next LTD general manager as described in the LTD General Manager Position Overview and LTD General Manager Success Profile. Mr. Dubick provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, G. Evans, Gillespie, Necker, Kortge, Towery (7)
 NAYS: None
 ABSTENTIONS: None

ITEMS FOR INFORMATION AT THIS MEETING

Lane Transit District Boundaries: Director of Service Planning, Accessibility, and Marketing Andy Vobora shared an LTD Boundary map with the Board and said that the LTD Finance Committee had discussed the LTD boundary at its last meeting.

A business person in Cottage Grove had recently asked how LTD set its boundaries, and Mr. Vobora stated that he was on the agenda for the Cottage Grove City Council meeting that night (on April 11) to provide an update on service and provide boundary information. This particular business person and the city manager both planned on being there to hear the presentation.

Thistledown Farms, which was on River Road in Junction City just north of the Urban Growth Boundary (UGB), had contacted LTD to say that it no longer received bus service. Some of its employees and customers had used the bus line, and the owner stated that it was not equitable for the business to be charged a tax if it did not receive service.

Mr. Vobora said that when the boundaries were originally set, LTD was an urban system and existed only within Eugene-Springfield. Then in the mid-1970s, the District expanded to rural areas. Within Oregon Revised Statutes (ORS) rules, boundaries could be set using a variety of different lines. One of these was census tracts, and at one point LTD had used census tracts that extended to County lines. ORS stated that a mileage standard also may be used to set boundaries. Therefore, LTD had decided to use the mileage standard of 2.5 miles outside of a route, which was a reasonable distance for a person to bicycle or drive and park. Cottage Grove and Creswell joined the District in 2000, and the boundary line was aligned along the I-5 corridor, between Goshen and Cottage Grove/Creswell because bus service is inaccessible for bus riders along this section of the route. The boundary lines expand to align with the UGBs of Cottage Grove and Creswell. If LTD changed its boundaries, it would outline new buffered boundary lines, as shown on the map which was displayed for the Board's information. In the interest of accessibility, Service Planning staff had spoken with the LTD Finance Committee about what was a reasonable walking standard going down either side of the line at $\frac{3}{4}$ of a mile or at $\frac{1}{2}$ of a mile. Mr. Vobora asked the Board if the distance from a route should be $\frac{1}{2}$, $\frac{3}{4}$, or $2\frac{1}{2}$ miles, and should it be different in rural areas?

Mr. Vobora then referred to the map legend. LTD determined that if the boundary was at one mile, it would exclude any residents or businesses between the one mile and $2\frac{1}{2}$ -mile boundaries. There were 196 total businesses identified through payroll tax records, and 132 of those were payroll tax-

paying businesses. Some may have been self-employed people, but more analysis was needed to get a more refined number. In 2009 these 132 firms paid \$152,500 in payroll taxes. At $\frac{3}{4}$ of a mile, the tax revenue went up to \$208,300. At $\frac{1}{2}$ of a mile, it was \$570,600. He noted that the data did not account for outside businesses doing work along corridors within the boundary, for example, Portland businesses.

Mr. Vobora said that this issue came up every year around tax time. The Finance Committee had discussed that even within the urban area, businesses existed that did not have service. For example, Weyerhaeuser was a good distance from Main Street but was a big payroll contributor. He noted that all in the District paid payroll taxes so that the region could have good bus service. If the Board chose to change the boundary, LTD would go through a process beginning with a new ordinance. When the boundary line was set, staff would establish the new boundary based on a process of evaluating each property on a property to property basis; and this would take time. After that was done, readings of the ordinance would be done, and then the new boundary would be adopted. LTD would then notify the Department of Revenue, and the new boundary would take effect on January 1, 2012.

Mr. Dubick said that he thought it was a tough time to be examining a vehicle for reducing revenue. He stated that he was opposed to changing the entire boundary.

In response to a comment by Mr. Gillespie, Mr. Vobora said that Thistledown Farms was only $1\frac{1}{2}$ miles from Spring Creek, where route 51 turned around to head back to the Eugene Station. Thistledown Farms was just outside the UGB.

Mr. Eyster said that it sounded as though there was not much interest in changing what was already in place. He said that he knew that staff analyzed the issue when it came up in order to determine if there was a special circumstance that the Board would want to take into consideration. He asked if this was what he was hearing from the other members of the Board.

The Board members expressed their agreement.

Mr. Dubick said that he understood Thistledown's position, but expressed that LTD had other responsibilities that it had to maintain at this point.

Mr. Pangborn said that LTD boundaries were less than were required by state law. Creating more restricted boundaries would be a judgment call about what was fair and reasonable.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 5:54 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, April 20, 2011

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, April 20, 2011, at 5:30 p.m., was canceled due to a lack of agenda items requiring action.

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/EXECUTIVE SESSION

Thursday, April 28, 2011

Pursuant to notice given to *The Register-Guard* for publication on April 21, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Thursday, April 28, 2011, beginning at 7:30 a.m., in the LTD Conference Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President, presiding
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Jeanne Schapper, Clerk of the Board, Minutes Recorder

CALL TO ORDER/ROLL CALL – Mr. Eyster called the meeting to order at 7:37 a.m. and called roll.

EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(a) - Mr. Kortge moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer (general manager). Mr. Evans provided the second.

VOTE The motion was approved as follows:
AYES: Eyster, Dubick, Evans, Gillespie, Necker, Kortge, Towery (7)
NAYS: None
ABSENTIONS: None

The Board entered Executive Session at 7:38 a.m.

RETURN TO REGULAR (OPEN) SESSION – The Board returned to regular session at 1:38 p.m.

ADJOURNMENT – There was no further business, and the meeting was adjourned at 1:38 p.m.

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/EXECUTIVE SESSION

Friday, April 29, 2011

Pursuant to notice given to *The Register-Guard* for publication on April 21, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Friday, April 29, 2011, in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President, presiding
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Jeanne Schapper, Clerk of the Board, Minutes Recorder

CALL TO ORDER/ROLL CALL – Mr. Eyster called the meeting to order at 10:47 a.m. and called roll. With the exception of Ms. Towery, all Board members were present.

EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(a) - Mr. Dubick moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer (general manager). Mr. Kortge provided the second.

VOTE The motion was approved as follows:
AYES: Eyster, Dubick, Evans, Gillespie, Necker, Kortge (6)
NAYS: None
ABSENTIONS: None
ABSENT: Towery

The Board entered Executive Session at 10:47 a.m.

Ms. Towery joined the meeting at 10:53 a.m.

RETURN TO REGULAR (OPEN) SESSION – The Board returned to regular session at 7:00 p.m.

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

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/EXECUTIVE SESSION

Monday, May 6, 2011

Pursuant to notice given to *The Register-Guard* for publication on May 5, 2011, 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 6, 2011, beginning at 8:15 a.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Ed Necker, Treasurer
Dean Kortge, Secretary
Michael Dubick
Doris Towery
Gary Gillespie
David Collier, Senior Human Resources Analyst
Jeanne Schapper, Clerk of the Board/Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called the roll at 8:17 a.m. With the exception of Ms. Towery, all Board members were present. Mr. Gillespie was present via telephone conference, and joined those present in the LTD Board Room at 8:28 a.m. Ms. Towery joined those present in the LTD Board Room at 8:30 a.m.

MOTION EXECUTIVE SESSION: Mr. Kortge moved that the LTD Board of Directors meet in Executive Session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer (general manager). Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Eyster, Necker, Evans, Kortge, Gillespie (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Towery (1)

The Board entered executive (non-public) session at 8:19 a.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:59 a.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:59 a.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING/WORK SESSION/EXECUTIVE SESSION

Wednesday, May 18, 2011

Pursuant to notice given to *The Register-Guard* for publication on May 12, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held an executive session, regular Board meeting, and work session on Wednesday, May 18, 2011, beginning at 5:00 p.m., in the LTD Conference Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Doris Towery
Michael Dubick
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll at 5:03 p.m. All Board members were present. Ms. Towery and Mr. Evans joined the meeting via conference call.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(a): Mr. Kortge moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer. Mr. Gillespie provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Evans, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Board entered Executive Session at 5:05 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 5:23 p.m., at which time the Board President called a brief recess. Ms. Towery and Mr. Evans left the meeting at this time. The Board meeting moved to the LTD Board room, and the Board President reconvened the meeting at 5:31 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster noted that Ed Necker would be recognized at the Honoring Older Americans event on May 19, 2011. Mr. Eyster commented that he had received input from many community members on the West Eugene EmX Extension (WEEE) project, and some people had suggested that the Board should reconsider the project. He said that the project was a lengthy one, with many benchmarks and decision points along the

way. Mr. Eyster asked that the Board discuss the importance of supporting each decision and staying on course during the WEEE project work session later on in the meeting.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Mr. Pangborn announced that LTD had received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 15th consecutive year. He commended the Finance Department staff for their performance. Mr. Pangborn added that Clerk of the Board Jeanne Schapper and Facilities Project Manager Joe McCormick had graduated from the Eugene-Springfield Chamber of Commerce Leadership program, and that Marketing Representative Cosette Rees was elected the incoming president of the Springfield Chamber of Commerce Board of Directors.

BOARD CALENDARS: Mr. Pangborn reviewed activities on the Board calendars.

WORK SESSION

West Eugene EmX: Director of Planning and Development Tom Schwetz spoke about the development of transit systems in other communities. He then spoke about the importance of commitment to the vision of a transit system through the lengthy project cycles that were necessary to realize the benefits of that vision. He said that the Brookings Institute had conducted a study of the importance of transit to connecting people to jobs and how investment in transit could address a number of economic issues and enhance a community's quality of life.

LTD Senior Project Manager John Evans said that a Locally Preferred Alternative concept had been selected, and the next steps in the project included completing the Environmental Assessment and finalizing the Alternatives Analysis report in accordance with Federal Transit Administration (FTA) requirements. He added that a Small Starts grant application also would be developed for submission in late Summer or early Fall 2011.

Director of Service Planning, Accessibility, and Marketing Andy Vobora stated that a major outreach effort to businesses along the West Eugene corridor would be conducted over the next several months. To address any concerns that business owners might have, staff would be updating them on the current design, alignment, and options available to modify the design. Mr. Vobora distributed two route network maps that consultants were using to analyze the system in order to determine the best configuration of services for users. He said that the analysis would be included in the Small Starts grant application.

Mr. Vobora also distributed a one-page analysis of the elasticity of fuel price increases and the effect on the level of transit ridership. He said that LTD was experiencing a spike in ridership and that

April 2011 was the third highest month for boardings in the history of the District. Other transit districts were seeing similar increases in ridership; and the question at the local, state, and federal levels was funding transit to expand capacity in order to absorb the growing demand for service.

Mr. Necker observed that the District might need to review pass pricing if the demand significantly increased.

Ms. Rees said that the District was partnering with the City of Eugene to establish an outreach team to address the issues and concerns of businesses, residents, and property owners along

the corridor. She said that the team would include City planners and outreach specialists who could provide facts on access, parking, landscaping, and non-conforming uses to mitigate misinformation and fears about impacts that currently existed. She said that the partnership with the City also would demonstrate a united approach to the project. The goal was to have conversations with the 1,200 stakeholders along the route in order to develop relationships and encourage people to recognize the District as a resource.

Ms. Rees said that the conversations also would help the District to refine its design as technical issues were addressed. She said that a business assistance program, which was based on TriMet's model, was being developed. The program would offer businesses along the corridor a variety of services through a network of resources within the community. It also would encourage businesses to regard transit as a means to access new markets for their products and services. She said that all other outreach efforts would continue. She asked Board members to give some thought as to how they may want to be involved in outreach efforts.

Mr. Eyster asked if there was the staff capacity to cover the 1,200 addresses. Ms. Rees said initial visits would consist of dropping off materials, collecting information, and scheduling future visits at each address; with the purpose of making the outreach team known, accessible, and available. She said that the goal was to listen, be responsive to concerns, and keep the dialogue open.

Mr. Pangborn said that some business owners along the corridor had filed a lawsuit against the City of Eugene asserting that the corridor was a thoroughfare, requiring a general vote of the populace. He said that the District was not part of the lawsuit but was being consulted by the City as it prepared its response to the suit.

Mr. Kortge described a recent experience riding EmX. He was amazed at the large number of riders and was impressed with how many young mothers were using the system. He commended the service and said it was very easy to use.

Mr. Eyster said that the Metropolitan Policy Committee (MPC) had reviewed a work plan and would vote on it at its next meeting. He had encouraged MPC members to incorporate lessons that had been learned during the WEEE process into future planning activities. He said that the MPC was open to the suggestion. Mr. Schwetz added that LTD staff were taking the lead in preparing a proposal for the Lane Council of Governments to consider.

Point2point 2010 Annual Report: Point2point Solutions Program Manager Theresa Brand provided the Point2point Solutions annual report. She said that the Program had expanded from an initial focus on commute trips and congestion issues to address non-commute trips and greater outreach to the general public and school communities. She noted that the program was supported by federal and state funds, as well as contributions from local government, and LTD. She described program services to the region's traveling public, public agencies, employers, universities, and K-12 students. New initiatives under development included car sharing, Smart Trips marketing focused on the Gateway EmX corridor, and a bike locker reservation system.

In response to questions from the Board, Ms. Brand said that the Emergency Ride Home program had fairly low usage, with about a dozen rides provided last year; and there was no cost to either the employer or the employee. She said that the cost of the Van Pool program was partially subsidized through federal funds, and the remaining cost was shared by participants.

Ms. Brand stated that the Business Energy Tax Credits (BETC) program provided about \$1.2 million in funding for Point2point Solutions, and those funds could be lost if the BETC was discontinued.

Legislative Update: This item was deferred to the end of the meeting.

EMPLOYEES OF THE MONTHS: The Board recognized Bus Operator Cheryl Googe-Paup as May 2011 Employee of the Month and Human Resources Technician Steve Rayack as the June 2011 Employee of the Month.

Mr. Eyster thanked Ms. Googe-Paup and Mr. Rayack for their dedication to LTD's mission and presented certificates of appreciation, checks, and pins commemorating the awards. Ms. Googe-Paup expressed appreciation for the acknowledgement of her service and said that she had made many lifelong friends among LTD's passengers. Mr. Rayack thanked the Board for his award. He said that the two constants of his 27 years of service with the District were the ongoing changes to operations and services to the community and the desire of employees to be involved and engaged.

AUDIENCE PARTICIPATION

Josef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, said that the District's ridership performance report indicated an increase in general ridership, but a loss in mobility-assisted ridership. He did not see that the difference was taken up in RideSource and hoped that the issue would be examined. He had recently taken EmX to RiverBend and said that there were very few riders after the University area stops. He felt that the schedule was misleading with regard to 10-minute service because in order to continue along the route there was a 20-minute wait at Gateway. He said that information should be better communicated to riders.

Bob Macherione, 1994 Brewer, Eugene, said that he had been involved with the West Eugene EmX Extension project for the past year. He felt the planned outreach project should have begun three years ago. He hoped that the Board and the District would remain open to input as the project moved forward. He objected to characterization of the information being provided to the group opposed to the West Eugene corridor as "less than accurate" and hoped that the tone of future reports to the Board would be less negative. He said that his concern with the WEEE project was that no destination had been identified. He felt that better boarding data was required and both the route and direction should be revisited.

Ralph Lee, 3905 East 15th Avenue, Eugene, said that he was a disabled rider who frequently used EmX, and he appreciated the service and the drivers. He said that his disability was not apparent, but it prevented him from using the smaller seats at the front and rear of the bus. The seating reserved for the aged and disabled was regularly filled with young people and parents with large strollers. He said that those people often refused to vacate the reserved seats, and drivers were concerned about what to do when an elderly or disabled rider needed a seat. He asked the Board to provide some guidance to drivers.

Mr. Gillespie asked if Mr. Lee had requested a rider to move out of a reserved seat. Mr. Lee said that those requests were met with mixed results.

Mr. Vobora said that the District's *Courtesy is Contagious* campaign addressed those types of concerns and that the new buses would have a disabled symbol woven into the fabric of the

reserved seats to clarify their priority use by elderly and disabled riders. He agreed that it was a challenge for drivers to enforce seating issues. He said that the District also was working on ways to manage the large items that riders brought on board.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Kortge moved adoption of LTD Resolution No. 2011-011: It is hereby resolved that the Consent Calendar for May 18, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the October 12, 2010, Special Board meeting; February 8, 2011, Joint Public Hearing with Eugene City Council, Metropolitan Policy Committee, and LTD Board of Directors; February 16, 2011, Regular Board meeting; April 20, 2011, Canceled Board meeting; April 28, 2011, Special Board meeting/Executive Session; and April 29, 2011, Special Board meeting/Executive Session.

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

Appointment of General Legal Counsel to the LTD Board of Directors: Mr., Kortge reported that the Finance Committee reviewed responses to the request for proposals for legal counsel and selected two firms to interview. Those firms were the existing legal counsel at Arnold Gallagher Percell Roberts & Potter, P.C. and Thorp, Purdy, Jewett, Urness, and Wilkinson, P.C. (Thorp Purdy). He said that following the interviews, it was the unanimous recommendation of the Finance Committee to appoint Thorp Purdy as the LTD legal counsel.

MOTION Mr. Kortge moved approval of LTD Resolution No. 2011-012: Resolved, that the LTD Board of Directors hereby approves the appointment of the law firm of Thorp, Purdy, Jewett, Urness, and Wilkinson, P.C., as legal counsel to the LTD Board of Directors for a contract term of three years, with an option for a two-year contract extension.

Responding to a question from Mr. Gillespie, Mr. Kortge said that Thorp Purdy was a local business. He said the Board and staff were pleased with the existing counsel's work, and it was a difficult decision to recommend a change. He said that the Committee was very impressed with Thorp Purdy's extensive experience in public agency work, their favorable rate structure, and their detailed responses to interview questions.

Mr. Dubick said he did not perceive a need to change legal counsel when the RFP process began, but he also was impressed with Thorp Purdy's qualifications.

Mr. Gillespie said that he hoped the District would monitor and compare legal costs under the new contract with those of the previous legal counsel. Mr. Kortge said that it would be difficult to compare annual costs because of the diversity of legal issues that could arise during a year and the variations in associated expenses. He felt that neither firm overbilled their clients, and occasionally changing legal counsel was appropriate.

Purchasing Manager Jeanette Bailor said that the Committee had discussed the low rates proposed by Thorp Purdy and the need to familiarize themselves with District issues. She added

that the firm did not intend to bill for the hours spent getting up to speed on certain issues, and that would be monitored during the first year of the contract.

Mr. Kortge said Thorp Purdy had already prepared a memorandum on the court ruling on open meetings and distributed it to clients. He said that the firm did not charge individual clients for the time spent researching the issue.

Mr. Pangborn suggested that the new general manager could be asked to report to the Board on how well the firm was performing at the end of the first year.

Mr. Necker said he initially favored the existing firm, but changed his mind after Thorp Purdy's presentation.

Mr. Eyster asked if the Board felt that there would be value in asking the legal counsel to attend a full Board meeting.

Mr. Necker pointed out that Thorp Purdy would review all meeting agendas and minutes thoroughly. Mr. Kortge saw no need for legal counsel to attend Board meetings, but a presentation on legal issues related to open meetings might be useful.

VOTE The resolution was approved as follows:

AYES: Dubick, Eyster, Gillespie, Kortge, Necker (5)

NAYS: None

ABSTENTIONS: None

EXCUSED: Evans, Towery (2)

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Mr. Gillespie reported that the next meeting of the Transportation Community Resource Group would be held on June 1, 2011. He said that there was discussion at the last meeting about meeting times that conflicted with City Council meetings, and the June 1 meeting time would avoid that problem. He also reported that the Metropolitan Planning Organization's (MPO) Citizen Advisory Committee (CAC) would meet on May 19, 2011. He said that the April 21 MPO CAC meeting included orientation of new members, a discussion of expanding committee membership, and a review of upcoming planning documents.

Mr. Eyster asked if there had been any discussion of using the CAC as an advisory body to LTD. Mr. Vobora said the CAC had provided input to the District in the past and would be available on a situational basis as the need arose.

Mr. Gillespie asked if an LTD staff member had been assigned as liaison to the CAC. Mr. Eyster said that Ms. Brand would attend meetings until a replacement for previous staff member Transit Planner Mary Archer was identified.

Director of Human Resources and Risk Management Mary Adams said the Human Resources Committee met jointly with the Finance Committee on April 26, 2011, to discuss pension issues. Another meeting would be held after the Board's June meeting to discuss pension matters.

Mr. Dubick reported that the Lane Council of Governments (LCOG) received a report on the hiring of consultants to develop a communications plan to help local governments become aware

of the full array of services available to them through LCOG. He said the Lane Area Commission on Transportation met on May 12 and received a presentation on the State Transportation Improvement Program and appointed four additional stakeholder members: Ryan Papé, Eugene Organ, George Greer, and Gary McNeil. He said other stakeholder representation could be added if the need arose.

Mr. Eyster said that the Metropolitan Policy Committee focused on its work plan during the May 12 meeting.

Monthly Financial Report: Director of Finance & Information Technology Diane Hellekson said that the District was ten months into its fiscal year, and there were no new issues. She said that the Board had been actively involved in discussions of strategic and financial planning, and none of those assumptions had changed. Payroll taxes were close to the projected level in the budget, and fuel costs continued to present concerns, with prices rising in each of the months of the fiscal year. She anticipated prices to level off, or slightly decline, during the summer. She said that the new budget would be issued at the end of the week, and she looked forward to discussing it with the Board.

Legislative Update: Mr. Vobora said that there had been little change at the federal level, with still no consensus regarding the terms of a new six-year transportation bill.

Ms. Adams reported that there was a high level of activity in Salem as the legislative session moved toward closure. She said that many bills died in committee, which reduced the number of policy bills remaining active. She said most of the budget work remained to be done and that would be an arduous process. Legislative leadership had identified June 1 as the deadline for action on measures without financial impact; June 5 or 6 as the deadline for the Ways and Means process; and June 16 as the target for end of session. She said that the legislature was currently on 48-hour notice for hearings on bills, but that would soon go to 24-hour notice.

Ms. Adams added that measures of interest to LTD included the sunset of Business Energy Tax Credits (BETC) in the spring of 2012 and an amendment to House Bill 2414 to include transit in the list of programs for which BETC would be added back. She said narrowing group pass eligibility to those most in need was being discussed as a means for making the program more viable during budget discussions. She said that the legislature was still considering the senior medical tax deduction concept and use of funds for senior and disabled services.

Mr. Pangborn said that another issue of concern was the request for bonding authority from lottery funds for the West Eugene EmX Extension. He said that there were many competing requests, and the local legislative delegation was supportive of LTD.

West Eugene EmX: Mr. Eyster referred to his remarks at the beginning of the meeting regarding the importance of maintaining a commitment to decisions as they were made over the course of the project. He emphasized that the Board would be open to input during the investigation and information gathering process between decision points; but once a decision was made at each point, there should be a commitment to proceed.

Mr. Dubick said that the Board should do the best job it possibly could with the information available to it.

Mr. Necker agreed that the Board should stay the course and proceed with confidence. He noted that a number of other entities, including the Eugene City Council and MPC, also had made the decision to move to the next step in the process.

Mr. Kortge pointed out that the decision to build the WEEE had not yet been made; the decision at this point was to move forward with the process. He wanted to see operational data before a Build/No Build decision was made, and he observed that having grant funds for the project was not a sufficient reason to build the project. He said that discussions should focus on the merits of the project.

Mr. Eyster said he was proposing that the Board support each decision that was made until the next decision point was reached.

Mr. Gillespie stated that he was completely supportive of the project, although disappointed with the Locally Preferred Alternative selection. He would have preferred a less complicated route, but was pleased that an alternative had been selected. He felt that if federal funds were available, the District should find an appropriate way to spend them as returning them could jeopardize future funding requests. He encouraged the Board to continue thinking of what would come next for the system – beyond the 6th/7th Avenue corridor.

ADJOURNMENT

Mr. Eyster adjourned the meeting at 7:40 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/EXECUTIVE SESSION

Wednesday, May 25, 2011

Pursuant to notice given to *The Register-Guard* for publication on May 21, 2011, 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 Wednesday, May 25, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Ed Necker, Treasurer
Dean Kortge, Secretary
Michael Dubick
Doris Towery
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board/Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called the roll at 5:30 p.m. All Board members were present with Mr. Evans present via telephone conference.

MOTION EXECUTIVE SESSION: Mr. Kortge moved that the LTD Board of Directors meet in Executive Session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer (general manager). Mr. Gillespie provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Eyster, Necker, Evans, Kortge, Gillespie, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Board entered executive (non-public) session at 5:32 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 5:56 p.m.

MOTION GENERAL MANAGER SELECTION PROCESS: Mr. Kortge moved that the LTD Board of Directors make an offer of employment to Ron Kilcoyne as LTD's next general manager. Ms. Towery provided the second.

In response to a question from Mr. Kortge, Mr. Pangborn stated that, pending Mr. Kilcoyne's acceptance of an offer, the details of the contract would be worked out between Mr. Kilcoyne, staff, and legal counsel.

VOTE

The motion was approved as follows:

AYES: Dubick, Eyster, Necker, Evans, Kortge, Gillespie, Towery (7)

NAYS: None

ABSTENTIONS: None

EXCUSED: None

Mr. Kortge suggested that Board members make themselves available to introduce Mr. Kilcoyne to various community leaders. Mr. Dubick voiced his agreement, stating that Board members should be a support system to Mr. Kilcoyne as he acclimates himself to the area. Mr. Kortge further suggested that a detailed orientation be scheduled.

Mr. Pangborn confirmed that staff are working on scheduling opportunities for Mr. Kilcoyne to meet various community organizations and business leaders.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 6:06 p.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/WORK SESSION

Monday, June 13, 2011

Pursuant to notice given to *The Register-Guard* for publication on June 9, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of Lane Transit District held a special Board meeting/work session on Monday, June 13, 2011, beginning at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Mike Dubick
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Ginger Morton, Minutes Recorder

Absent: Doris Towery

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors and called the roll at 5:35 p.m. With the exception of Ms. Towery, all Board members were present.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster said that he will be requesting feedback later in the meeting on the committee assignments that were distributed.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: There were no announcements or additions to the agenda.

WORK SESSION

Pension Plan Design Presentation: Director of Human Resources and Risk Management Mary Adams explained that the redesigning of LTD's retirement plan for salaried employees had been ongoing for more than a year. The initial work was done when the FY 2010-11 Amalgamated Transit Union (ATU) labor contract was negotiated, and discussions on the ATU and Salaried Employees' Retirement Plan are underway.

Ms. Adams introduced Pete Sturdivan, lead actuary with LTD's pension plan actuarial firm Milliman, Inc. Mr. Sturdivan explained that the purpose of his presentation was for the Board to decide if it would like to adopt a new retirement structure for the salaried employees, and if so, which structure. He also hoped to provide direction with respect to the overall cost of the plan.

Mr. Sturdivan presented two types of retirement plans: 1) Cash Balance Plan, and 2) Defined Benefit Plan. He explained that the current administrative retirement program is a combined defined benefit plan and defined contribution plan. The current plan provides a determinable monthly benefit at

retirement based on final average pay plus an individual account of which the District contributed 6 percent of pay to each member annually.

Plan 1 is a cash balance plan, which is a modified defined benefit plan that expresses benefits in terms of account balances. It is based on specified annual additions to the account balance and a specified rate of return. Unlike a defined contribution plan, the Cash Benefit plan is credited with a specific interest rate stated rather than the actual return on the trust fund itself. Typically, the benefits provided are in lump sums, but could be annuities as well.

Plan 2 is a defined contribution plan, which provides a benefit based on the accumulation of predetermined contributions. The level of annual contribution is specified in the plan as 4 percent of pay. Under a defined contribution plan, if an employee quits, dies, retires, or becomes disabled, the account balance would normally be payable. However, lump sums do not have to be paid, and the normal form of benefit may be an annuity purchased from an insurance company. Mr. Sturdivan explained that under the defined contribution plan, the employer has no responsibility with respect to the participant's investment return and disbursement of funds. The employer could retain some fiduciary responsibility to allocate the investments while the participant remained employed.

The current plan for LTD salaried employees was established in 1975 and the ATU plan was established in 1972. In the ATU plan, there was a nominal contribution to an employee participation account at three years, and the monthly benefit was based on \$64 multiplied by years of service (vested after five years). The contribution rate was \$4.26 per hour. At the end of 2009, the market value of the assets was \$13 million. Fiduciary responsibility was borne by the trustees of the plan, who made investment decisions with the help of consultant R.V. Kuhns.

The current plan for LTD salaried employees is a combined defined benefit/defined contribution plan. The monthly benefit is based on final average pay for the highest three years of pay (vested in five years). Participants can retire with full benefits at age 60 or with 30 years' of service. The retirement benefit is 1.67 percent of pay multiplied by credited service multiplied by final average pay. The current contribution rate is 18.3 percent of salary. The market value, as of 24 months ago, was \$7.9 million. Trustees have made investment decisions with help from R.V. Kuhns. Coupled with the average pay plan was the defined contribution component, in which the District contributes 6 percent of pay into individual accounts.

Mr. Sturdivan explained that there also is a deferred compensation plan in which all LTD employees can elect to participate, and these funds become immediately vested. AIG-Valic or Hartford are investment managers, and the employee self-directs the funds.

A comparison made between the LTD salaried employees plan and the Oregon Public Service Retirement Plan (OPSRP) shows that the retirement age of OPSRP is age 65 versus age 60 for LTD. Full benefit was based on average pay with a multiplier of 1.5 percent for OPSRP and 1.67 percent for LTD, and the normal contribution rate for OPSRP is 6.1 percent of salary versus 1.67 percent for LTD. The reason for the difference in normal contribution rates is attributable to the difference in age at retirement.

Mr. Sturdivan said that the remaining presentation was conditioned on Board input that 1) current retirement benefits were at a high cost; 2) employees should be responsible for retirement income decisions and post-retirement risk; and 3) the total employer obligation should be kept to 9 percent of total annual pay.

Mr. Sturdivan presented a comparison between the two proposals and the current plan. Plan 1 was essentially a fixed account, and Plan 2 was a variable account.

Plan 1 is a cash balance plan. The normal retirement age is 65 with five years of service, and early retirement is 55 with 10 years of service. The employer's initial contribution rate is 7 percent of pay for up to five years of service, and increases by years of service up to 14 percent of pay after 20 years. The plan guarantees a return of 4 percent.

Plan 2 is a defined contribution plan. Retirement and early retirement age were the same as Plan 1. Under this plan, the employer contributed 4.5 percent of pay up to five years of service, and the rate increased by years of service up to 9 percent after 20 years of service.

He explained that coupled with both plans is a matching formula. The District contributes 50 percent of the amount of individual contributions up to 6 percent of base salary, and the employer contribution is capped at 3 percent.

Mr. Sturdivan made it clear that redesign of the current retirement plan would affect new employees only. Worth noting is that 35 percent of new administrative employees had transferred from the ATU, so the question remained how a new retirement plan would affect ATU transfers.

A summary of estimated costs to the District shows that the cost of the current plan is 17.9 percent of payroll; Plan 1 is 8.9 percent, and Plan 2 is 9.2 percent. It could take up to 20 years to achieve the reduced percentages.

Mr. Sturdivan said that the proposed restructure of the retirement plan would keep LTD in step with how retirement plans in the private sector had been restructured. He also said that, both locally and nationally, there is a definite move to cash balance and defined contribution retirement plans.

Mr. Sturdivan said that the major decision points before the Board were:

1. Adopt a new retirement structure?
2. Will the new structure be cash balance or defined contribution? If so, is 6.5 percent of pay acceptable?
3. Adopt a matching contribution benefit? If so, is 3 percent of pay acceptable?
4. Current members: reduce Part 2 benefits?

When asked about the investment risks to the District of the two plans, Mr. Sturdivan responded that with the cash balance plan, the Pension Trustees, and ultimately the District, retained the investment risk during the participant's employment; whereas the Defined Contribution Plan was structured so that the investment risk was borne by the participant.

Mr. Dubick said that a new retirement plan was necessary for new employees; but in the future, as the economy improves, he hoped that there could be other incentives offered to attract employees. Mr. Pangborn replied that with the defined contribution plan, the percentage of the matching employer contribution could be increased.

The Board members were in favor of a redesigned retirement benefit structure for salaried employees and opted for the defined contribution plan. A consideration was that it seemed desirable to put the investment risk into the hands of the plan participant rather than the District. The 6.5 percent base rate and 3 percent matching contribution rate was acceptable.

Mr. Kortge advised that January 1, 2012, was a realistic date for adoption of a redesigned retirement plan, and the Board should strive to achieve that date. Ms. Adams indicated that a plan would come back to the Board for discussion at the next meeting.

Oregon Health Strategies Project: Ms. Adams said that the District has been a member of the Oregon Coalition of Health Care Purchasers (OCHCP) for the past seven years. There are currently more than 30 employer members in Oregon who are committed to working with partners to promote and maintain a healthcare delivery system that provides quality, accountability, and affordability for employers.

The Purchaser's Coalition has been very aggressive in finding grant funding to conduct pilots for health care alternatives. In 2010 Pfizer Inc. and the National Business Coalition on Health, along with the OCHCP, formed a collaborative, which was underwritten by Pfizer. The collaboration was formed in order to invest in the health of the workforce by ensuring that employees and their families receive high-quality, cost effective, evidence-based health care. Employer participation is free, and 11 Oregon employers have joined the Oregon collaborative.

The guiding principle of the Oregon Health Strategies Project is that employers with strong internal teams matched with actionable data were better able to foster healthier, more productive employees and achieve higher value for the dollars invested.

Ms. Adams said that there were 12 employers involved in the study, six private and six public. The expected outcome for LTD would be coordinated and aligned benefits, improved health outcomes for employees and dependents, and reduced long-term benefit costs.

The project is a three-year, three-phase study. During Phase 1 a baseline data tool was prepared. Phizer, Inc. originally tested the tool with the Kansas City Coalition. Results from the data tool were so accurate that Kansas City made beneficial long-term cost controlling decisions. Phase 2, which has not yet begun, will be intervention design and implementation. Implementation could be as simple as changing the food in vending machines. The study will provide information about best practices used by employers and the cost and health improvement results. Phase 3 would evaluate outcomes.

Ms. Adams said that the data sources were health care providers; screenings; and internal data such as worker's compensation, disability benefits, and leave programs. Data also came from the Empower Diabetic Program and in-house events.

Study results enabled comparisons between LTD and private and public employers, both local and national. Results also provided an evaluation methodology and data-proven best practices, which had been hard to find in the health care system.

Ms. Adams said that Phase 1 was completed and that the initial version of the cost estimator data had been received. Phase 2, which interpreted data and interventions, would determine how some might be effective. She would provide a report on Phase 2 within the next calendar year.

PUBLIC COMMENT: There was no public comment.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 7:50 p.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, June 15, 2011

Pursuant to notice given to *The Register-Guard* for publication on June 9, 2011, 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 15, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Katie Dettman, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting at 5:33 p.m. and called roll.

PRELIMINARY REMARKS BY BOARD PRESENT: Mr. Eyster introduced Information Technology (IT) Manager Steve Parrott who informed the Board that the IT department had installed a new video surveillance system, and the District was testing this new system to decide whether or not to put it on the new buses that would be purchased soon. The video surveillance system is a live feed of what's happening inside the buses while on its route. The system has ten cameras situated on the bus providing both exterior and interior views; and the system could eventually provide a video stream from the ten cameras. The project also has a component that is new in the transit industry, which is the ability for the camera to be connected to LTD's network. This new system could become the foundation for increased security benefits, including the ability to respond quickly to emergencies.

Mr. Parrott said that the system would be available system-wide and could be hooked into any Operations workstation to view the feed. Supervisors also could view the feed from both the Eugene and Springfield Stations. Operations Dispatchers would be able to view a number of monitors at the same time and could call up feeds for specific vehicles. The system is intended as a look-in feature and is not meant for constant surveillance but on an as-needed basis. The connectivity to the network would allow more data from the on-board computer to be available to Operations more frequently. This would make the next system to be installed, the Real-Time Passenger Information System, more viable. If the new video surveillance system proves to be a good fit, then District staff would negotiate a reasonable contract to get the system in all LTD vehicles.

Apollo Technology out of Seattle, with offices in Salem and Corvallis, is the company that provides this system; and transportation systems in Tennessee and Chicago are already testing or using this technology.

Mr. Eyster recognized Mr. Evans for an honor that he had recently received. The award, the 2011 Eugene, Cascades, and Coast Convention Leadership award, was given at the previous evening's Travel Lane County 2011 Visitor Industry Celebration.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: There were no announcements or additions to the agenda.

BOARD CALENDARS: Mr. Pangborn noted that the newly hired general manger, Ronald Kilcoyne, would be in Eugene on June 28-30. During this visit, Mr. Kilcoyne would be introduced to as many community leaders as possible, and he would begin his position as the general manager (GM) on July 18.

Mr. Pangborn said that his retirement celebration would be held on June 30 at the Hilton, and he encouraged Board members to attend.

The dedication of the Veneta Park & Ride was scheduled to be held on July 15 and would involve guest speakers including Veneta Mayor Sharon Hobart-Hardin and Senator Floyd Prozanski.

The July Board meeting was tentative at this time.

WORK SESSION

EmX Business Outreach Program: Public Relations Specialist Cosette Rees provided an update about the EmX business outreach program activities that would occur during the summer. The mission of these activities was to engage businesses, property owners, and residents along the West Eugene EmX Extension (WEEE) in the project.

Staff were finalizing outreach materials, and it was their hope to be more proactive and less reactive in their conversations with the community. Letters were being sent to property owners along the WEEE corridor, and staff also were looking at how they communicated with the public about property impacts. Many "avoid and minimize" exercises had been employed in order to considerably cut back the impact that the route would have on businesses. District staff had been meeting with staff from the City of Eugene who were interested in visiting properties with LTD staff, especially those properties that would experience impacts.

The point of having these conversations is to discuss concerns and help find solutions. For example, staff at Gray's Garden Center on West 6th Avenue had expressed concern that construction could potentially change access to the business, and the business may end up with a reduction in parking spaces. In this instances like this, LTD will work with the affected property and business owners, and a local engineering firm to find acceptable options to redesign site parking that reduce or eliminate any parking loss. The next phase of project design would then be refined to accommodate any needed changes to further reduce impacts, and, if desired by the property owner, costs associated with private property parking lot enhancements would be included as part of the project.

Other forms of outreach include conversations and meetings with speaker's bureaus; local chambers of commerce; and civic, professional, and neighborhood groups.

Mr. Evans said that he felt that LTD needed to look at forming a Citizen Advisory Council (CAC). He stated his belief that this would be a perfect opportunity to deliver an accurate message. Members of a CAC would have input into LTD's decisions as well as engage in authentic interactions with neighborhoods, businesses, and the community. Such a body would help guide the Board and staff decision-making process.

Mr. Eyster explained that staff had contacted the Central Lane Metropolitan Policy Organization Citizen Advisory Committee (MPO CAC) within the past month, and the CAC had agreed to serve as LTD's CAC on an as-needed basis. He suggested making sure that LTD was on the MPO CAC agenda at least once per month to provide updates and receive feedback. The CAC already had a structure in place to receive input from community members and groups, and it did so on a regular basis.

Mr. Evans said that the MPO CAC was focused on all local transportation, but he was suggesting more of a formalized relationship with the group in terms of the CAC taking on LTD as part of a more prescribed role. He advocated for more consistency, regularity, communication, and collaboration with the community on a more formal basis.

Mr. Gillespie said that the CAC would meet the next evening (on June 16), and perhaps the CAC could form a subcommittee of its group to meet with a subcommittee of the LTD Board to work out a more formal arrangement. He thought that CAC members might be amenable to this process.

Mr. Necker asked if this needed to be on the CAC agenda or if it could be more informal.

Mr. Gillespie said that the CAC's agenda had a section where any member could bring up any discussion point, and he would be willing to bring it up.

Mr. Pangborn suggested that an LTD staff person attend the CAC meeting as well. He thought that it would be good to get a reaction from the CAC related to forming a subcommittee.

Mr. Evans thought that this would be more in line with what he was thinking. A lot of business people were on the CAC, and a lot of LTD's ridership and other constituencies also were represented on the CAC. LTD should be sure that a full menu of constituencies and stakeholders were adequately represented in this arena. This was what community members continued to tell him. A broader dialogue would help LTD be more informed and sensitive about issues that existed.

Mr. Pangborn said that this would start the next evening at the CAC meeting.

Mr. Necker supported the idea that LTD staff also be present at the CAC meeting.

Ms. Rees said that in a recent meeting, Portland's TriMet staff had indicated that having a CAC had helped the agency, but that it was important to have the right people represented on the committee. A TriMet representative also said that the committee was intensive for staff to manage; however, the CAC enabled TriMet to have two-way conversations with the community. Ms. Rees thought that collaboration with the MPO CAC would be a great opportunity for LTD.

Ms. Rees said that staff were currently working on a Business Assistance Program that would generate a package of resources in the community for businesses, including low-interest loans and marketing classes. LTD Intern Calvin Brawner was working on putting together a business case for EmX, which would showcase its successes and why it would work in West Eugene. The case also would show EmX from an operational point of view, such as the benefits of EmX, how it works best, and EmX's advantages and benefits to the community and adjacent properties.

LTD staff also had met with TriMet's Director of Marketing Drew Blevins and Director of Community Affairs Ann Becklund and had learned that TriMet was having similar problems, issues, and struggles as LTD, but in a much bigger way.

Ms. Rees said that LTD had opportunities to employ some of the strategies that TriMet had been employing to deal with these issues: TriMet hired a new GM a year ago, and this had been a great opportunity to engage with community groups. TriMet also had done an "inside-out/outside-in"

approach in which they communicated with the public but also encouraged the public to communicate more with them.

TriMet also was getting to know the businesses in the community better. LTD also will also do this: in the next phase of the project, staff will work with businesses to identify such things as when deliveries are made, when garbage is picked up, and what their biggest sales days are. With this information, construction would be easier to plan in coordination with businesses. LTD also will be looking for opportunities to market the businesses during construction, including encouraging riders and construction employees to patronize businesses affected by construction.

Long-Range Transit Plan (LRTP) Status: Director of Planning and Development Tom Schwetz pointed out small rocks at each Board member's station at the table. He explained that the rocks were meant to be a touchstone to allay potential anxiety that some people felt about intangible objects and issues.

Referring to the two handouts that Mr. Schwetz was discussing, Mr. Eyster asked what mechanism was being put in place to coordinate LRTP activities in Eugene and Springfield.

Mr. Schwetz said that this was occurring at a couple of levels but more intensely at staff level. As each municipality was adopting or developing its plans, policies, and thoughts about projects, staff were looking at ways to coordinate it all. For example, the City of Springfield staff had drafted some policy language, and LTD staff had reviewed it and provided suggestions on how to make it better reflect LTD's planning and better support transit. When an adopted plan was put in place, this would carry weight in talking to the Springfield City Council. He expected, based on current conversations, that Springfield's plans would reflect and support well what LTD was trying to do.

Mr. Eyster said that as he participated in advisory meetings, he was unaware of the interactions that LTD staff had had with Springfield and Eugene staffs. He asked if there was anything that LTD was trying to accomplish that was outside his awareness or involvement of the Board.

Mr. Schwetz said that when something more concrete was in place, the conversation would come to Springfield and Eugene processes as well as to policy advisory committees.

Mr. Schwetz said that on June 30, the City of Eugene's Transportation Community Resource Group (TCRG) would receive an update from LTD related to its goals, policies, and approaches.

Mr. Schwetz explained that as the planning process worked in the area, the County also is required to develop a Transportation System Plan (TSP). The County also has a role in adopting all of the local TSPs. Generally speaking, the County's TSP planning system covered the County, with holes where the Urban Growth Boundaries (UGB) are. The County does not play a role in UGBs as these are the purview of Cities. At a technical and policy level, the County is involved in the various aspects of planning as it moves forward; therefore, it would not be a surprise to the County when Springfield brought forward its TSP. There would have been interaction at the technical level, and areas related to County roads within Springfield.

Mr. Necker said that he did not recall the specifics, but he stated his belief that the State, County, and Cities each had TSPs.

Mr. Evans said that there also was the Statewide Transportation Improvement Program and other similar programs.

Mr. Schwetz said that transit often had gotten left out of conversations about growth, but he saw an opportunity now to address this more directly.

Mr. Necker said that the last TCRG meeting had been about environmental impact, and the June 30 meeting would address transit.

SPECIAL DESSERT IN HONOR OF GENERAL MANAGER MARK PANGBORN: Mr. Eyster said that the Board wanted to take a moment to thank Mr. Pangborn for 29 years of dedicated service to LTD. He explained that Mr. Pangborn had not been LTD's general manager for all of those 29 years, but he had an impact on LTD throughout these years; and his imprint on the organization would last a very long time. Mr. Pangborn was instrumental in creating the culture of LTD; and in the past five years that he has served as the GM, some incredible, phenomenal changes for the better had occurred. On behalf of the Board, Mr. Eyster presented Mr. Pangborn with a Japanese Maple tree. He noted that another Japanese Maple would be planted in the courtyard in honor of Mr. Pangborn. A plaque would be placed with the tree with the inscription, "Planted in honor of Mark Pangborn, General Manager, 2006-2011, with appreciation for 29 years of service, leadership, and excellence."

Mr. Eyster presented Mr. Pangborn with a plaque that read: "With appreciation to Mark Pangborn for your years of service to the Lane Transit District Board of Directors 1982-2011."

Mr. Pangborn thanked the Board. He said that he had calculated that he had the honor and privilege of attending between 275 and 300 Board meetings during the past 29 years, and he said that it was bittersweet that this was the last Board meeting that he would attend. He said that he had the opportunity to work in a place where he loved the people he worked with and had been able to provide his skill set to improving the community. From his perspective, this had been a gift.

RECESS: Mr. Eyster called for a break at 6:28 p.m.

RECONVENE: Mr. Eyster reconvened the meeting at 6:39 p.m.

EMPLOYEE OF THE MONTH: Director of Maintenance George Trauger introduced LTD's Employee of the Month for July 2011 as Tire Specialist Bill Bradley. Mr. Trauger noted that Mr. Bradley was a valuable employee who took great care of the tires on all of LTD's vehicles. Mr. Bradley's commitment to safety was what inspired a co-worker to nominate him as Employee of the Month.

Mr. Eyster presented Mr. Bradley with an award and thanked him on behalf of the LTD Board for his service to LTD.

Mr. Bradley thanked the LTD team who helped him do his job; including mechanics, general service workers, and bus operators. He said that his work was interesting, and it was rewarding to do something he loved while also helping the community.

AUDIENCE PARTICIPATION

Bob Macherione, 1994 Brewer, Eugene, said that he represented Our Money, Our Transit and himself as a taxpayer. He said that he had spoken before the Board numerous times and that he had been asking for common sense to guide LTD and its Board. He noticed that primarily LTD staff who were present in the Board Room had an administrative role at LTD. He saw a common thread through most of what was discussed in the room, which was that the Amalgamated Transit Union (ATU) should be used to control costs. LTD needed to admit that its benefits practices were out of control and pension costs were going to start reaching 20-25 percent of payroll. LTD needed to be more candid about these numbers. Administrative staff made a lot more money than ATU members, and their actual pension costs were much higher. At the last Board meeting, it was stated that furlough days had been reinstated. He had a problem with this because the statement made after this one was we really have to start looking at restoring pay raises. He said that furlough days had been administered so that LTD did not have to lay off administrative staff despite a 19 percent reduction in services. LTD had managed to maintain its administrative staff, and this had been the

cost. If LTD thought that ATU needed to be squashed and administrative staff needed to be given raises, he thought something was out of balance. He found this to be something that went on in the Board Room, and wondered why there was not an ATU representative present at the Board meetings. When LTD made a statement like, "We have to give staff a raise because we would lose good people," he thought about the fact that 40-60 percent of the transit agencies in the country were in trouble. He thought everyone had to look at their own benefit package and decide if living in Eugene was worth what people got paid.

Duane Taylor, 5347 Club Drive, Eugene, said that he had been paying attention to what was going on with the West Eugene EmX Extension. He said he was upset that the project was federally funded. This really disturbed him because he did not think that LTD should be going to the federal government for handouts because this caused the federal government to tell LTD what to do. If the project was really needed, he thought that the community would be able to come up with taxes to fund it. He did not believe that the millions of dollars that the federal government was giving to LTD was smaller than the amount the federal government took from the community. He said he did not think that the community should be giving tax money to the federal government and then asking for a handout back. People were disturbed with what was going on because the economy was not getting better. Jobs were not coming back anytime soon, and the Federal Reserve was in trouble. He thought that there were too many strings tied to funds from the federal government. He repeated that the city and the state should be asked for the funds.

Jozef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, wanted to address one-on-one meetings with property owners mentioned by Ms. Rees. She had said that LTD would contact property owners. He said that there was an issue with this because in a lot of cases, the message would stop at the property owners and would not get to business owners on these properties. This had been the experience in the past. He suggested expanding these contacts, and contacting business owners and residents directly in order to show that LTD was really interested in the community. He said goodbye to Mr. Pangborn, saying that it had been wonderful getting to know him.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Kortge moved adoption of LTD Resolution 2011-013: It is hereby resolved that the Consent Calendar for June 15, 2011, is approved as presented. Mr. Dubick provided the second.

Mr. Necker asked if the approval of the Registered Agent would be included in this vote. When he heard it was, he asked to have the item pulled from the consent calendar. Mr. Kortge and Mr. Dubick agreed.

VOTE LTD Resolution 2011-013 was approved, with the "Registered Agent" item (Resolution No. 2011-14) removed, as follows:

AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)

NAYS: None

ABSTENTIONS: None

EXCUSED: None.

Mr. Pangborn explained that LTD's registered agent was the general manager. Since Mr. Pangborn would be retiring on June 30, LTD needed to designate a registered agent, who could sign official District documents. This action would appoint the new General Manager Ron Kilcoyne to be the registered agent as of the date he would start work at LTD, which was on July 18, 2011. Another item on the agenda would cover the period of July 1 through July 17.

MOTION Designating LTD Registered Agent: Mr. Necker moved approval of LTD Resolution 2011-014: Be it resolved that LTD General Manager Ron Kilcoyne is designated as the Registered Agent for Lane Transit District, effective July 18, 2011, at the current Registered Office at 3500 East 17th Avenue, Eugene, Oregon, and is directed to give notice of said change to the Secretary of State of the State of Oregon and to the County Clerk of Lane County, Oregon. Mr. Evans provided the second.

VOTE LTD Resolution 2011-014, Designating LTD Registered Agent was approved, as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Public Hearing and Approval of Supplemental Budget for Fiscal Year 2010-11: Finance Manager Todd Lipkin provided the presentation referring to the documents in the packet.

Mr. Eyster opened the public hearing and called for testimony.

Mr. Siekiel-Zdzienicki asked if "Contingency" referred to LTD's Reserve Fund, and Mr. Lipkin said that it did.

Mr. Macherione noted the \$300,000 dedicated for the cost of retirements. He said that he thought this sum should have been larger. Mr. Kortge responded that this amount was not for pensions.

Mr. Macherione asked if it was to cover the cost of retirements that were not planned, and Mr. Lipkin said that it was to fund people's retirements, including vacation payouts.

Mr. Macherione asked for clarification that this was not an annual increase in funding for pensions, and Mr. Lipkin confirmed that it was not.

Mr. Kortge noted that this would be discussed later.

Mr. Macherione asked if this increase in the cost of retirements was related to unexpected retirements. Mr. Lipkin explained that it had to do with the cost of retirements that were not expected or planned when the budget had been adopted the previous year. Mr. Macherione asked if it was exceeding the reserves that LTD had for retirements for the previous year. Mr. Lipkin said that LTD did not have reserves for retirements. The costs had exceeded what LTD had reserved for personnel services costs.

Mr. Pangborn explained that LTD budgeted for salaries in addition to benefits. If an employee took all of his or her vacation during a year and retired, then LTD owed that employee nothing. If the employee saved his vacation up to the maximum accrual limit, LTD was obligated to pay for the vacation he or she had not taken upon retirement. This was the cost of these accrued vacations, which had not been budgeted because LTD had assumed employees would take their vacation time prior to retirement.

Mr. Macherione asked if the health reimbursement plan also was part of this cost. Mr. Lipkin said that it was not – it was only accrued vacation.

There being no further testimony, Mr. Eyster closed the public hearing.

MOTION Mr. Evans moved approval of LTD Resolution 2011-015, which amends the LTD Fiscal Year 2010-2011 budget as represented in the resolution. Ms. Towery provided the second.

VOTE LTD Resolution 2011-015 was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Public Hearing and Adoption of Fiscal Year 2011-12 Budget: Director of Finance and Information Technology Diane Hellekson reviewed the documents included in the packet and noted that the LTD Budget Committee had met several times to discuss the budget. There were several key assumptions associated with the budget, including payroll tax receipts, which had been in decline in previous years. At this time, a slight uptick was occurring in tax receipts. She noted that the current budget was about \$21.6 million, and the estimate for fiscal year end was \$21.8 million. In the current fiscal year, payroll tax receipts collected exceeded \$22 million. This validated the assumptions made in the budget for the next year.

Regarding fuel assumptions, LTD saw fuel increase in every single month in the current fiscal year. The Budget Committee ultimately landed on a price of \$3.70 per gallon for fuel for the next fiscal year. Recently, fuel prices had stabilized.

Another uncertainty was that as of June 30, LTD would not have a collective bargaining agreement with the ATU. The next agreement would likely not be agreed upon until months into the next fiscal year. As a result, the Budget Committee and staff had to make assumptions about what would happen with personnel services, and that was a big uncertainty. The Budget Committee assumed it would be able to hold the line on a number of expenses and also manage the increases in items such as health insurance.

Responding to a question from Mr. Gillespie, Ms. Hellekson clarified that the budget assumed no cuts in service.

Mr. Kortge said that he thought that the fuel price of \$3.70 was the best target. He said that he thought that the 10 percent addition to both the pension and health insurance plans was prudent. He suggested a worksheet be provided to Board members so that they could see what the pension plan numbers looked like. If, hypothetically, LTD had a 100 percent funded pension plan, he wanted to know how many dollars would be in the fund and how many dollars were being put in every year. He was not suggesting that the pension plan be 100 percent funded but that 100 percent should be the target.

Ms. Hellekson suggested doing this exercise after the next actuarial evaluations for both plans, because both of the evaluations currently in play were done during down markets.

Mr. Eyster opened the public hearing and called for testimony.

Mr. Macherione thanked Mr. Kortge for asking for pension plan numbers and said that he also wished to see these numbers. He said that Ms. Hellekson did a wonderful job presenting information. He was interested to see what projections would be when the outlook was less optimistic. He thought LTD needed to plan for several different contingencies.

Mr. Eyster said that contingencies needed to be presented for a range of scenarios.

Mr. Macherione agreed. Examining a range of scenarios that would dramatically affect the organization and the choices it would have to make would be wise so that issues did not come up as a surprise. He noted that in that day's *Register-Guard* it was reported that there were \$500 billion worth of unfunded public pensions and health care liabilities. He said that he did not think this could

have been a surprise. He stated his belief that it had just not been observed at the right time. He congratulated Mr. Pangborn on his retirement.

There being no further testimony, Mr. Eyster closed the public hearing.

MOTION Mr. Evans moved adoption of LTD Resolution 2011-016, adopting the LTD Fiscal Year 2011-2012 approved budget as presented and appropriating \$94,466,400 as represented in the resolution. Mr. Kortge provided the second.

VOTE LTD Resolution 2011-016 was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

General Manager Pro Tempore: Mr. Pangborn said that LTD staff were making sure that everything was in place as he retired from the organization, which includes designation of a general manager pro tempore who would act in the capacity of general manager in the event of the absence or disability of the general manager. The resolution proposes to adopt a general manager pro tempore to serve between June 30 and July 18 and proposes that the Board designate Director of Service Planning, Accessibility, and Marketing Andy Vobora as the general manager pro tempore. In the case of both the general manager and Mr. Vobora's absence, it is suggested that the Board also appoint Director of Human Resources and Risk Management Mary Adams as general manager pro tempore.

MOTION Mr. Kortge moved approval of LTD Resolution 2011-017, designating General Manager Pro Tempore. Mr. Dubick provided the second.

VOTE LTD Resolution 2011-017 was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

FTA Grant Filing Authorization: Mr. Lipkin reviewed the Federal Transit Administration (FTA) Grant Filing Authorization summary.

Mr. Necker asked if this meant that the order of authority at LTD was Mr. Kilcoyne, Mr. Vobora, Ms. Adams, and Ms. Hellekson. Mr. Pangborn confirmed that this was the correct signing order.

Mr. Lipkin said that the only person who currently had the authority to file applications with the FTA was Ms. Hellekson.

MOTION Mr. Gillespie moved adoption of LTD Resolution 2011-018: It is hereby resolved that the LTD Board of Directors approves the Resolution Authorizing the Filing of Applications with the Federal Transit Administration. Ms. Towery provided the second.

VOTE LTD Resolution 2011-018 was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Introduction of New Legal Counsel: Mr. Pangborn asked Dwight Purdy of Thorp, Purdy, Jewett, Urness & Wilkinson, P.C., to introduce his legal team.

Mr. Purdy said that he and his firm were excited to be working with LTD. He introduced K.C. Huffman, Brian Millington, Lance LeFever, and John Urness, each of whom was a lawyer at the firm. Mr. Huffman and Mr. Purdy would be the primary contacts for LTD.

Mr. Purdy then reviewed a memo in the Board packet titled *Dumdi, et al v. Handy, et al, Lane County Circuit Court (January 18, 2011)*, which discussed public meetings law.

Mr. Kortge gave an example of the LTD Board having a pending decision about a proposed change to its pension plan and asked if it was inappropriate for two or three Board members to have lunch and talk about the issue.

Mr. Purdy said that this scenario fell into a gray area because three Board members did not constitute a quorum. However, a potential downfall would be if one of those three Board members then discussed the issue with another member of the Board. At this point, a quorum may have discussed the issue, which could be in violation of the law.

Mr. Purdy said that to be in violation of public meetings law, a quorum of a public body does not have to be physically together and deliberating an issue. The *Dumdi, et al v. Handy, et al* case stated that collectively, the Lane County Board of Commissioners would make pre-public meeting decisions by communicating via e-mail or individual one-on-one meetings.

Mr. Necker said that the County did not challenge the law in the *Dumdi, et al v. Handy, et al* case, and Mr. Purdy confirmed that this was correct.

Mr. Kortge said that a big issue before the Board was the West Eugene EmX Extension. He asked if the same concepts applied to this issue.

Mr. Purdy said that this was correct. He encouraged care in ensuring subgroups of the Board did not deliberate toward a decision prior to a Board meeting. In the *Dumdi, et al v. Handy, et al* case, it was very clear to the court that some commissioners were trying to control the direction of a vote.

Mr. Gillespie was concerned that some Board members would be less informed on a matter than others. He asked if the only option to discuss solutions to issues was to do so in a public Board meeting. He asked if a quorum would be created if Mr. Eyster spoke to him about a potential solution, then to Mr. Necker, and then to Mr. Evans.

Mr. Purdy responded that this was a gray area. The statutes were not clear on this issue. The case discussed related to governing bodies moving towards deliberations. Discussing an idea that was a potential solution to a problem was moving towards this. He said that perhaps if Board members remained short of discussing how they would vote on an issue, this may be permissible; but it was not clear. He emphasized that the legislature has stipulated that public government business should be conducted in public. However, if a conversation were informational only, he thought it would be permissible to have the conversation outside a public Board meeting. When Board members were deliberating towards a decision, they needed to be careful. He said that *Dumdi, et al v. Handy, et al* was a new case; and although the firm had read it carefully, a lot of gray areas and open questions in the case remained.

Mr. Dubick said that the LTD Board did a lot of committee work. Committee meetings were public and did not preclude any Board members from coming. Final decisions were never made at committee meetings, but issues were discussed. It had not been his experience with the LTD Board that Board members tried to sway other members' votes. He said that he thought that the LTD Board had a good system, and he did not think it would wander off-track.

Ms. Towery stated her belief that the intent behind the law was that making decisions outside of public view was illegal. It was clear in *Dumdi, et al v. Handy, et al* that there had been intent to make budgetary decisions in a non-public meeting forum. She had always been a firm believer in open government. She thought that decisions made by public boards should be made in public.

Mr. Evans said that he had talked to Board members in other states about this issue, particularly in Florida, as the issue had come up in Tampa. Florida's sunshine laws were extremely strict related to Board decisions. Board members in Florida could not talk to each other about any Board business outside public Board meetings. He asked if Oregon was moving towards this type of law.

Mr. Purdy said that it was up to the legislature. His feeling was that all of the Boards around the state, many of which he represented, had always had a pretty good feel for what the rule was: that a quorum could not discuss Board business outside of public meetings. He expected that in the next legislative session, a clarification of this issue would be made; but he did not expect the law to become as strict as it was in Florida. He had spoken to a lot of legislators about the issue, and one was of the opinion that the law needed to be clarified so that volunteer Board members knew what they could and could not do.

Mr. Pangborn said that when he contacted Board members outside of meetings, it was almost always related to advisory committee business. He thought if the LTD Board maintained its habit of narrative discussion and decision making in public meetings, all would be well.

Mr. Purdy thanked the Board, and he encouraged Board members to call the firm anytime.

Mr. Eyster mentioned a policy on contacting counsel. He said that he usually contacted counsel through Ms. Schapper or checked in with staff first. He asked if a policy existed.

Mr. Pangborn said that the need for a policy had not arisen. The Board had always functioned very well collectively, and had managed its contact with counsel through LTD staff, which was usually Ms. Schapper or the general manager. The general manager and staff may have an answer to the question, based on earlier conversations with counsel. Ms. Schapper maintained the full file of all LTD legal opinions. This way, staff also would be aware of all issues. He thought transparency was important, as well as all answers to legal questions being shared with the entire Board.

Mr. Kortge thought that rules were not necessary, but an agreement should be clarified that no Board member would ever contact counsel directly, except in an emergency situation.

Mr. Pangborn mentioned that if a Board member runs into a member of counsel and asks a legal question, staff should be informed so that the information is shared with the rest of the Board.

Mr. Huffman confirmed that the firm's response to questions would go to the entire Board.

Board Member Reports: Mr. Gillespie said that the Metropolitan Planning Organization's (MPO) Citizen Advisory Committee (CAC) would meet the next day. He said that he thought there was an appropriate place on the agenda to discuss a CAC for LTD.

Mr. Necker said that the Transportation Community Resource Group had met on June 1, and the subject had been environmental impact. Another meeting would be held on June 30 and would discuss transit.

Mr. Evans said that LaneACT had been discussed at the Metropolitan Planning Committee meeting. Also discussed were the State Transportation Improvement Plan and the Metropolitan Transportation Improvement Plan.

Other Activities: Mr. Evans said that the American Public Transportation Association (APTA) Board of Directors Executive Committee was in the process of selecting a new president. The process was moving quickly and was on schedule. Eleven out of 22 candidates had been interviewed. Four remaining candidates would be vetted in Dallas in July, and he expected that a new president of APTA would be selected at that time.

Board Committee Assignments: Mr. Eyster said that all Board members except Ms. Towery had decided at a meeting on Monday to leave the Board committee assignments as indicated in the packet. He asked if Ms. Towery had any objection to this, and she did not.

Gateway EmX Ridership Update: Mr. Pangborn reviewed the Gateway EmX Ridership Update, and reported that LTD would do an extensive on-board survey of the entire EmX route and the Gateway segment in October. This was a required survey necessitated by the Small Starts grant application, and it would allow LTD to track ridership. A report would be completed on this data collection by the end of the year.

Mr. Evans asked what adjustments Mr. Pangborn foresaw the District making as a result of the increase in ridership on EmX as it related to overall ridership in the Springfield area.

Mr. Pangborn said that adjustments were coming in a planning sense. LTD had learned during its last service reduction that the best way to cut the budget and maintain service that met the greatest need was to have an iterative process in which the public participated. This was being done again, and service hours might be reallocated based on what the community wanted and needed. The earlier that the community was involved, the more involved they would be in the process. This would come to the Board next winter.

In response to a question from Mr. Evans, Mr. Pangborn said that it would be for the Fall 2012 bid, but the planning process would begin this winter. In October LTD also would do a system-wide origin and destination survey, which it did about once every five years. The projection was that no service would be added or reduced.

Legislative Update: Mr. Evans said that he had learned at the APTA Executive Committee meeting that there was a proposal for a two-year authorization bill, which was severely reduced from the APTA or industry ask of \$123 billion for transit and \$50 billion for rail.

Ms. Adams reviewed the information that was in the Board packet.

Mr. Eyster asked why the legislature would not vote in favor of the West Eugene EmX Extension (WEEE) \$8.4 lottery bond.

Ms. Adams said that the funds might be used for other purposes, such as balancing the budget.

Mr. Pangborn explained that the Republican caucus was very concerned about the bonded indebtedness of the state. The caucus may think a certain amount of bonded indebtedness was too much and might vote to approve just a fraction of this amount. This reduced amount would then have to be allocated in a priority order, but WEEE might not be high enough on the priority list to fund.

Mr. Pangborn said that the Capital Construction Committee would come up with the priority list and insert it into the budget, which would go directly to the House and Senate for approval.

Mr. Eyster asked that the Board be kept informed.

Mr. Gillespie stated that originally, the purpose of the lottery funds was economic development. It was hard to argue that EmX was not providing economic development.

Ms. Adams said that there were a lot of economic development projects within the lottery requests, against which the WEEE was competing.

Mr. Lipkin said that the last legislature sunsetted Business Energy Tax Credit programs on July 1, 2012; but that date had been changed, requiring that the funds be applied for by April 15, 2011.

LTD had budgeted \$1 million for this program next year and was projecting that youth pass sales would be at the same level as they were prior to Student Transit Pass program, which was \$600,000. Therefore, this loss of funding had a \$400,000 negative impact on the budget. The legislature had inserted a new program for transportation projects, and there may be an opportunity to get funding for ADA service. This could replace the \$400,000 shortfall.

Ms. Adams noted that in the new bill, there was language that stated that there would be \$10 million available statewide, per year, for transit programs and projects. This could include a number of things for the elderly and disabled. Rule-making authority to further refine this had been given to the Department of Energy. Representative Terry Beyer had advocated for transportation's interests throughout the legislative session.

Mr. Evans mentioned that the District could possibly use ConnectOregon IV funding for the Gateway Park & Ride project. He asked if this could be used as a match for federal funding.

Mr. Lipkin said that there were numerous opportunities to try to fund the Gateway Park & Ride, including ConnectOregon IV and the state flex fund.

Mr. Schwetz added that the Gateway Park & Ride would be a partnership of the City of Springfield, the Oregon Department of Transportation (ODOT), and the private sector.

Mr. Eyster wanted to be sure LTD was in contact with the business people who would be affected by the Gateway Park & Ride.

Mr. Pangborn said that this was already happening in partnership with the City of Springfield.

Monthly Financial Report—May 2011: Ms. Hellekson reviewed the May Financial Statements and noted that the recent triennial report had been the most favorable report that LTD had ever received. She commended Purchasing Manager Jeanette Bailor and Mr. Lipkin.

Ms. Hellekson said that independent auditors would be in the building during the last week of June while new general manager Mr. Kilcoyne also was visiting.

Mr. Gillespie said that he had brought up a question at the last Board meeting regarding restroom facilities and availability for bus operators at the Gateway Mall because of the change to the Gateway route.

Director of Transit Operations Mark Johnson said that the timing was going to be changed so that drivers would have enough time to take a full break and keep the route running on time. He assured

Mr. Gillespie that the issue would be resolved by the fall.

Mr. Pangborn said that the EmX route was operationally different than all other routes, especially related to timing; and drivers worked really hard to stay on time.

Mr. Necker asked if the Gateway EmX also would surpass its 20-year projections within seven months, as the Franklin EmX had.

Mr. Pangborn said that the Franklin EmX had surpassed its ridership projections within two months, but he would try to find out the answer to Mr. Necker's question.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:15 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, July 20, 2011

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, July 20, 2011, at 5:30 p.m., was canceled due to a lack of agenda items requiring action.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/LUNCHEON

Monday, August 8, 2011

Pursuant to notice given to *The Register-Guard* for publication on August 4, 2011, 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/luncheon on Monday, August 8, 2011, beginning at 11:30 a.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Judith Burton, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors and called the roll at 11:40 a.m.

Mr. Eyster announced that the format for today's meeting would be a visioning and planning session.

Mr. Kilcoyne stated that this was his first LTD Board meeting and that he was in the fourth week of his new position.

STUDENT TRANSIT PASS UPDATE: Director of Service Planning, Accessibility, and Marketing Andy Vobora gave an update on the Student Transit Pass program. He reported that as of June 30, 2011, the Oregon State Legislature had eliminated funding for student bus pass programs, which had been funded for several years through the Business Energy Tax Credit (BETC). In Fiscal Year 2010-11, the District had received \$1.2 million for this program, and many middle and high school students had come to depend on the program.

Mr. Vobora said that many different ideas about how to continue this program had been discussed. He noted that some individual schools would be signing group pass contracts with LTD as they had in the past before the BETC.

Responding to a question from Mr. Necker as to whether a reduction in ridership was expected, Mr. Vobora said that it was hoped that many students would be able to buy passes and continue to use the program. It was understood that some would not be able to afford to pay for the passes even though they were priced at one-half the regular fare. Group passes were available to the schools, he said. Free passes were being offered for the month of September, and paid passes would be instituted in October.

Mr. Vobora said that a number of schools had expressed an interest in selling one-month and three-month passes in the schools. The 4-J School District had a different situation in that they had not provided high school student transportation for more than a decade.

Mr. Kortge asked for confirmation that the \$1.2 million income had been for one year. Mr. Vobora confirmed that was the case. Mr. Kortge asked why students could not still receive bus passes for free if the same bus routes were running and there were seats available. Mr. Vobora explained that about ten extra daily trips were needed for school service. If ridership to these schools dropped, then LTD would evaluate eliminating the extra trips. Mr. Vobora added that the current service package that LTD operates is based on revenues that include youth fares. If these fares were not collected, then the District would need to evaluate whether the current service package could be sustained.

Mr. Eyster said that he had given the situation some thought and wanted to share an idea. It was known that approximately \$6 million was needed from fares to run the entire system, and that the Board could decide which populations could ride for free. For some to ride free, the total expense was spread over the population that paid fares. He said that he felt that there were a number of groups in the ridership that could ride free, and that it was actually a value choice that needed to be determined.

Mr. Kilcoyne said the key issue was that the budget for the current fiscal year assumed the receipt of the \$1.2 million from the State, which would no longer be received. Now funds needed to be made up through fares, reducing service, using reserves, or any combination of those strategies.

OVERVIEW LONG-RANGE TRANSIT PLAN GOALS AND OBJECTIVES: Director of Planning and Development Tom Schwetz said that the main question to the Board is what they thought the leadership role was that LTD played in the community as the uncertain future unfolded.

A passion for equal mobility access led LTD to not only put buses on the roads, but to develop innovative strategies such as carrying bikes on buses and the Group Pass Program that began at the University of Oregon.

Leadership at this scale included an ability to bring a focus to the most important community needs. Another role was to articulate to the community and the organization what the next part of LTD's story would look like. Working together with community partners to prepare for, and invest in, the future was another key role, Mr. Schwetz said.

Mr. Schwetz referred to a concept called contextual intelligence from a book *In Their Time: The Greatest Business Leaders of the Twentieth Century*, written by Anthony J. Mayo and Nitin Nohria. This book offers a look at 100 years of business leaders and the essential qualities of those leaders. Contextual intelligence means the profound sensitivity to macro-level contextual factors in the creation, growth, or transformation of businesses. Mr. Schwetz said that he had asked the Board to look at a period of twenty years into the future of LTD, and this current planning process was intended to challenge this image of the future.

Mr. Schwetz gave a couple of factors that were being used now in the preparation for regional plans that were being made by the Lane Council of Governments, the City of Eugene, the City of Springfield, and LTD. The survey that he had asked the Board to complete was consistent in terms of identifying a general conservatism around the official future. The revenue side of the financial picture was perhaps optimistic, he said; and the cost side was pessimistic, which was somewhat expected in a time of economic uncertainty.

Themes of Future Implications and Options for LTD: Mr. Schwetz said that in the process so far, the Board had been looking at what could be done in the short term to make sure that LTD was in a position to prepare and adapt to what may come. Mr. Schwetz had held conversations with each of the department leaders at LTD, and he had outlined ideas that came from those conversations. He wanted to spend most of today's meeting looking at these implications and options as a framework in terms of priorities that needed to be accomplished. This would provide the context for looking at the goals and objectives of the plan.

Long-term Sustainable Level of Service: This was the main concern across nearly the entire organization. Some of the issues here included trade-offs between social services, choice markets, and other service objectives; the role of the public in helping determine the level of service; and the role of keeping reserves high enough to provide a safety net.

Mr. Evans said that it was impossible to look at long-term service needs without looking more specifically at what revenue would look like. He thought that it was important to be looking at additional revenue streams and alternatives to the payroll tax in order to deal with some of the issues. He also was concerned about financing the continuing capital needs, most specifically the issue of public and private partnerships. He said that Denver was engaged in a public-private partnership to build its light rail lines. He said that he felt that it was not feasible to look at federal funding as a viable long-term source for revenue.

Mr. Kortge expressed his feeling that a fundamental core service that LTD provided needed to be identified. Once that was identified, growth could occur. The funding needed to follow that definition, he said. A revisioning effort was needed to nail down the basic needs.

Mr. Eyster asked if "core" was the same as "minimum." Mr. Kortge responded that it was the same, and that a way to define the core needed to be indentified so that it could be understood by everyone. Mr. Eyster assumed that this would come through some kind of public engagement. Mr. Kortge said that it could be developed through public meetings that include public input, and through promotion.

Ms. Towery said that she felt that open, public input would be important. Public feedback during recent budget cuts had actually improved some of the bus routes, she said.

Mr. Gillespie said that another issue was making sure that the needs of the lower income and disadvantaged were served, while at the same time, maintaining services that would encourage choice riders.

Mr. Schwetz said that it was a good concept to discuss because of the different definitions of core transit services.

Mr. Dubick cautioned that public input would not be clear and consistent, but would still reflect the various views of people in the area. The final decision would eventually come back to the Board.

Ms. Towery responded that a lot of voices brought a lot of options from which to make informed decisions.

Mr. Eyster said that he thought that minimum service might be defined as hours or days of service and not necessarily particular routes.

Mr. Evans agreed, saying that core could be corridors based on geographic populations and would need to be adaptable as shifts came along through the years. He felt that the focus needed to be on broad, general sketches.

Mr. Schwetz said that staff could come back to the Board with a defined process. Looking at the last 40 years in Lane County, he said, there were some major corridors with a transit presence. A first issue to consider would be looking at the major corridors and levels of service for them.

Mr. Necker asked if his paraphrasing would be correct if he said that the Board could and should identify key corridors, but understand that they could change at any time. Mr. Evans concurred, and added that there needed to be great sensitivity to the whole development planning landscape in the

area, such as Envision Eugene and Springfield's visions, as well as those from Lane County in general. He saw a need to have a way to sync with all of the planning processes in order to project future transportation needs.

Mr. Necker spoke from his position of working with the Springfield Planning Commission. Two ways to focus were 1) providing transportation to what existed currently; and 2) providing transportation in such a way that land use could develop to it and around it, so that it was a work in progress.

Mr. Kortge said that he felt that it was important to focus on key parts of future growth. He stated his belief that there were core routes as well as core constituencies such as middle, high school, and college students; and low income constituencies. He felt that it was most important to define core as it currently existed.

Mr. Dubick asked for consideration of how LTD could influence land use (for example, with Envision Eugene's housing plans) on the existing corridors rather than moving corridors to where the housing would be built in the future.

Mr. Schwetz responded that part of Envision Eugene's work so far focuses on transit corridors for growth.

Mr. Evans recalled that the question was whether LTD was the carrot or the stick.

Mr. Gillespie said one thing that was core to LTD's system was seven-day service. One of the greatest benefits of the EmX was that one did not need to know the schedule, but only where to get on. Eliminating days of service would eliminate choice riders and others who had needs on particular days.

Emerging Workforce Issues and Implications on LTD's Organizational Processes: Mr. Schwetz reported that these issues affected not only the organization, but regional partners as well. Working together to build adaptive capacity organizations was essential. Advanced technology demands and other aspects suggested new ways of accessing business services and affected many aspects of business.

Mr. Schwetz noted that recruiting for innovation would require attracting people with curiosity, problem-solving skills, and creative strengths not held by existing paradigms of transit industry. Training would become a core part of LTD's work in keeping staff ahead of the curve. He asked if this seemed like a good strategic focus.

Mr. Evans suggested that the impact of technology would be shaping what growth looked like, with a potential for such things as operators working from a central location. He felt that it was impossible to understand what technological changes would be coming.

Mr. Kortge remarked that a lot of the ideas presented in this category were issues involving staff more than Board members. What would affect the Board would be issues such as where funding would come from if training became more important.

In response to a question from Mr. Kortge, Director of Human Resources and Risk Management Mary Adams explained that compression of wages was a situation where employees at one level of the organization had increasing wages where employees in higher levels of the organization at some point became compressed. For example, bus operators earned extra money working overtime, whereas supervisors had fixed wages. Compression of wages existed when there was no room for movement.

Mr. Schwetz commented that as new generations of workers were being attracted, the concept of portable benefits would arise, and this should become a Board discussion.

Mr. Kortge questioned an item under the first theme, "Long-term Sustainable Level of Service," which stated that "health care cost increases will resolve themselves eventually." Ms. Adams said that this had to do with the long-term picture of national health care and the idea that, at some point, employers may no longer provide health care.

Mr. Eyster said that another work force issue was the public impression of what salaries and compensation should be for public employees. This arose every time negotiations occurred, he said. Mr. Schwetz agreed that this would be a good addition to the list.

LTD's Role in Building Adaptive Capacity of the Organization and of Our Regional Partners: This item questions the long-term prospects for EmX. More complex systems require training that emphasizes the integration of skills to maintain a given fleet. Efforts should be made to continue to seek approaches that collaborate across boundaries, creating long-term solutions to community-wide issues.

Mr. Schwetz cited an example of how Eugene and Springfield were creating one entity for their fire and safety operations. What such options might be possible for the District in moving forward?

Mr. Gillespie said that he was aware that, in terms of mobility service vehicles, an average passenger trip was about 1.5 people. He was interested in a comparison of using a smaller vehicle versus the multi-seated buses that were currently in use to see if there could be savings.

Mr. Necker said that idea has been considered to an extent that the old Breeze buses are being used on the Jefferson and Campbell Center route. The Breeze is a smaller bus and is easier to drive, he said. A problem that could arise with using a van would be the occasional trips where passenger numbers exceeded the capacity of the vehicle. Mr. Evans noted the continuing issue of door-to-door service versus station-to-station service.

Mr. Schwetz suggested that all of these themes would help resolve with defining the sustainable long-term level of service.

Emerging Markets for LTD: Mr. Schwetz said that direct marketing would be a key tool. Individuals would be targeted more, in offering options and incentives to use the service. Outreach efforts would emphasize the value of transit in people's lives. Google Transit is an example of emerging technology that allows people to access routing information on hand-held electronic devices.

Information Technology Manager Steve Parrott commented that over the years, as technology had evolved, hand-held devices had been used by a special group of people. The newer generation, he noted, expected to own and run their own technology. Mr. Necker added that it would be LTD's job to provide access to the information.

Mr. Eyster commented that LTD might become a market for some other group that could be partnered with, and that it seemed important to find out how to plug into alternate revenue streams. He added that LTD had evolved from a low-profile to a high-profile entity. He expressed that he felt this meant that there was a higher obligation for public engagement than in the past.

Mr. Evans offered that the long-term perspective for BRT/EmX had not been discussed. He said that he felt it was important to define this and also the possible roles of streetcar and light rail service.

Mr. Schwetz responded that defining these services was part of defining the core services. He saw street car development as an economic development tool, but he said that consideration should be given to where the resources were for creating and sustaining it. Understanding the process would need to happen, and LTD would need to engage in the process.

Next Steps: Mr. Schwetz asked three questions regarding next steps:

1. Does our vision get us where we want to be?
2. Have we articulated the right goals and objectives?
3. Are we taking the right actions in the short-term to guarantee our long-term success?

He referred the Board to the draft Goals and Objectives. He asked them to review these while asking if what they felt needed to be covered was being covered, and if the scope of goals and objectives was correct. Secondly, as short-term actions were considered, it was important to see if they were included in the goals and objectives.

Goal 1: Provide Safe Travel Alternatives to Increase Accessibility in Eugene and Springfield:
Mr. Kortge said that he preferred wording that said “provide public bus service” rather than “provide safe travel alternatives.”

Mr. Eyster added that as much as possible, the technical service planner words (such as “intermodal connectivity”) should be translated into simple English.

Goal 2: Fully Integrate Transit Investments and Land Use Planning within Eugene and Springfield:
Mr. Schwetz said that it made sense to make decisions as to where LTD’s routes operated based on a set of criteria involving the cities.

Mr. Gillespie said that he appreciated the conversation that he had had with General Manager Ron Kilcoyne last week around the interaction between the Board and its long-term goals versus the interaction around changing elected officials and their goals. He felt that it was important to maintain the connection but that it was necessary to keep the long-term goals in perspective when talking to people whose goal was re-election in two years.

Mr. Necker asked if the long-term goals should be flexible or overriding. Mr. Gillespie responded that he believed that they should be overriding, with flexibility around such things as redesigning routes as factors changed in the community; although, if BRT was a goal, then it should be fully supported.

Mr. Dubick said that it was very important to establish strong lines of communication with staff—especially at the top, such as the City Manager—in order to have any chance of having long-term commitment from the City. Buy in from the management side was essential for continuity of commitment to long-term goals.

Mr. Eyster noted that this was tricky when federal processes sometimes take ten years.

Mr. Gillespie added that the local region was fortunate to have had more longevity with elected officials than many cities and counties.

Mr. Schwetz felt that there would be a need to periodically review internally and with all policymakers as to the ongoing vision. Adaptivity was an important aspect to develop, he added.

Ms. Towery agreed, and said that as goals and objectives were looked at, she said that she felt that it was important to reach a point where everyone agreed and worked together for the long term vision. Being indecisive benefits no one, she said. Once this point was reached, it was up to staff to let elected officials know that a firm plan was in place.

Mr. Schwetz remembered when LTD first discussed the BRT program and how its partners were engaged in the process. To build the commitment meant looking at all different aspects, most of which were outside the scope of transit operations, whether it was economic development, affordable

housing, or transit-oriented development. These were broader community issues, he said, and all those voices needed to be involved.

Ms. Towery clarified that she and other Board members had joined the Board because they care about maintaining a quality of life for the larger community.

Mr. Evans suggested adding to Goal 2 an extension beyond Eugene and Springfield to include the larger metro area. Communities such as Veneta and Creswell were growing quickly, he said, and they had their own land-use and transit needs. He felt that it was important to include their needs in the larger plan. Mr. Schwetz offered to change the wording to "within LTD's service area."

Mr. Eyster cautioned against locking Board members into certain positions. Ms. Towery responded that opposing viewpoints were valuable, but that having a commitment was important.

Mr. Eyster noted that something that distinguished this particular Board was the ability to disagree respectfully, which encourages full participation. He felt it was important to maintain and articulate this value.

Mr. Necker asked if he was correct in understanding Ms. Towery to be saying that the goal could exist, but that the process needed to be flexible. Ms. Towery agreed, adding that the commitment to the long-term goal was necessary, but the process would adapt over time.

Mr. Gillespie noted that Board members came from different backgrounds and perspectives, the combination of which gave a pretty good airing of choices, values, and final decisions.

Mr. Eyster remarked that in Goal 1 he wanted to see things like "attract choice riders," "reduce vehicle miles traveled (VMT)," "reduce greenhouse gas," and "transit-oriented development." Mr. Schwetz agreed and said that more specific ideas could be incorporated. Mr. Eyster said that perhaps the way it was stated reflected minimum service, but he would like to have some aspirational goals expressed as well.

Mr. Gillespie commented that these ideas tied into seeking alternative sources of revenue, and that perhaps a greener operation, such as decreasing VMT's and saving greenhouse gases, could attract alternative revenue.

Mr. Evans said that at a conference he recently attended there was an issue around safety and security. It was reported that Boards could get into deep trouble for not paying enough attention to these issues.

Mr. Schwetz clarified that the statement in Goal 1 that Mr. Evans was referring to, "Provide safe travel alternatives," had come from a strong emphasis in the regional policy around ensuring the safety of travelers. The wording could be changed so that it did not mean responsibility for all safety of all travelers.

Director of Transit Operations Mark Johnson added that a big effort was put into ensuring that the LTD systems were safe and secure, and a lot of time was put into training operators to operate the buses safely. As EmX was being built, safety was an issue at every level. He felt that for Board policy it was important to note that these processes were in place.

K. C. Huffman, Attorney with Thorp Purdy Jewett Urness and Wilkinson P.C., said that as long as LTD had the appropriate policies and procedures in place to provide safety for customers, there should be no problems in terms of liability of the Board. The Board could encounter problems if it rubber-stamped things and did not have the appropriate insurance in place, but he assumed that the District held appropriate insurance for these types of issues.

Mr. Schwetz said that Houston, Texas, was going through a regional process, and they were asking similar questions about how to prepare to respond to an uncertain future. The opening question they asked in their process was: "The future: will we be driven by fear, or will we be motivated by all we can accomplish?" He felt that today's discussion pointed to the fact that LTD was motivated by all that could be accomplished.

Board member Dean Kortge left the meeting at 1:20 p.m.

ITEMS FOR ACTION

Appoint Pension Plan Trustee: Ms. Adams asked that the Board accept the resignation of Mark Pangborn as Pension Plan Trustee and appoint Ron Kilcoyne in his place. In the meeting packet, there was a letter of resignation from Mr. Pangborn, which would be effective upon the appointment of Mr. Kilcoyne as the new Trustee.

MOTION Mr. Evans moved approval of Resolution No. 2011-019, a Resolution Appointing Ron Kilcoyne as Trustee of the LTD ATU Pension Trust and the LTD Salaried Employees' Retirement Plan, to succeed Mark Pangborn as Trustee, and reappointing the other Trustees appointed by LTD [Dean Kortge for the Pension Trust; Dean Kortge and Mary (Neidig) Adams for the Retirement Plan], as stated in the attached Resolution. Mr. Necker provided the second.

VOTE The motion was approved as follows:
AYES: Eyster, Towery, Gillespie, Necker, Evans, Dubick (6)
NAYS: None
ABSTENTIONS: None
ABSENT: Kortge (1)

OTHER BUSINESS: Mr. Eyster asked if there was any further business.

Mr. Necker said that a possibility for additional funding could be asking voters to levy a small property tax. He was not sure what the legal ramifications would be, but he thought that the 2012 election might be a good time to move this idea forward. He stated that educating the public would need to begin early.

Director of Finance and Information Technology Diane Hellekson commented that this had been discussed by the Finance Committee in the past, and it would be appropriate for the question to return to that committee.

Mr. Eyster asked that the Finance Committee look at what issues the Board would need to consider in thinking about a property tax levy. Mr. Necker responded that the first step would be to determine the legal ramifications. He asked Mr. Huffman to check.

Mr. Evans suggested that perhaps the payroll tax could be traded for something else, such as a utility-based tax. He suggested different funding options be explored. With such a high percentage of unemployment in the area, he said that the District should resist asking for additional taxes at this time.

Mr. Kilcoyne said that Mr. Kortge had suggested putting together a roundtable group to tackle this subject. He envisioned a two-step process: 1) identifying what level of service should be provided; and 2) holding a roundtable discussion that would include the chambers of commerce and representatives from all elements of the community in order to identify what additional funding would be needed to

provide that level of service. Whether or not this could be ready by 2012 was difficult to predict, but he said it was important to start the process.

Mr. Necker said he assumed that as soon as possible LTD needed access to more funding since reserves were now below the predetermined acceptable level, and he could see the financial needs increasing as time went on. He said that he was open to broadening his request for exploring other means of funding.

Mr. Dubick said that no one could predict when the economy would be out of recession. He said that public funding in the state had degraded during the last fifteen years to the point where it was difficult to ask for additional funding. He believed that this process could take a good, long time and that nothing should be anticipated in the near future.

Mr. Eyster asked Mr. Dubick to talk with Mr. Kortge about this topic and see about getting it on the agenda for their next Finance Committee meeting.

Mr. Evans cautioned against looking at a property tax because 1) business owners would be twice impacted by paying both payroll and property taxes; and 2) he felt Mr. Dubick's idea about compression of different jurisdictions was well taken. Something the legislature was supposed to look at in its next session was Ballot Measure 5 reform, which could change the dynamic of future funding requests.

Mr. Eyster announced that there may be a work session on September 12, 2011, and the Board would be notified as soon as it was known. The next regularly scheduled Board meeting was September 21, 2011.

ADJOURNMENT: The meeting was adjourned at 1:37 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, August 17, 2011

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, August 17, 2011, at 5:30 p.m., was canceled due to a lack of agenda items requiring action.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING
BY CONFERENCE CALL

Monday, August 29, 2011

Pursuant to notice given to *The Register-Guard* for publication on August 28, 2011, and distributed to persons on the e-mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Monday, August 29, 2011, beginning at 3:00 p.m., in the LTD Conference Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President, presiding
Greg Evans, Vice President
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Ron Kilcoyne, General Manager
Renee Jones, Assistant to the Clerk of the Board, Minutes Recorder

Absent: Dean Kortge, Secretary

CALL TO ORDER/ROLL CALL: Mr. Eyster called the meeting to order at 3:02 p.m. and called roll. Mr. Eyster was present in the LTD conference room. Mr. Evans, Mr. Dubick, Mr. Gillespie, Mr. Necker, and Ms. Towery were present by telephone conference call.

MOTION APPROVAL OF MINUTES FROM MARCH 16, 2011, REGULAR BOARD MEETING: Mr. Necker moved approval of LTD Resolution No. 2011-020: "it is hereby resolved that the minutes of the March 16, 2011, regular Board meeting are approved as presented." Mr. Evans seconded the motion.

VOTE The resolution was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge

ADJOURNMENT: There was no further business, and the meeting was adjourned at 3:04 p.m.

LANE TRANSIT DISTRICT

ATTEST

MINUTES OF LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/WORK SESSION

LANE TRANSIT DISTRICT

Monday, September 12, 2011

Pursuant to notice given to *The Register-Guard* for publication on September 8, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of Lane Transit District held a Special Board Meeting/Work Session on Monday, September 12, 2011, beginning at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Michael Dubick
Gary Gillespie
Doris Towery
Ron Kilcoyne, General Manager
Renee Jones, Assistant to Clerk of the Board
Ginger Morton, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors and called the roll at 5:35 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: There were no remarks by the Board president.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: There were no announcements or additions to the agenda.

WORK SESSION

West Eugene EmX Extension Project Status: Leon Skiles, of the consulting firm Leon Skiles and Associates, was introduced. Mr. Skiles said that he was hired by LTD as an outside consultant to conduct the technical work on the West Eugene EmX Extension (WEEE). He relayed that he had graduated from the University of Oregon and began his career in transit when he worked at LTD in the early 1980s. He began his consulting career in Seattle, Washington, doing high capacity transit planning and then relocated to Portland, Oregon. He was the manager of Metro's high capacity transit planning section. He has now had his own firm for 10 years, and his specialty is preparing environmental impact statements for major transportation projects, and New Starts and Small Starts projects. He has played a part in every New Starts and Small Starts project in Oregon since the programs began.

Mr. Skiles explained that part of the application process for a Small Starts grant was demonstrating a case for the project and providing the required analysis for the Federal Transportation Administration (FTA) indicating why the project was worthy of federal funding. The case for federal funding was developed by identifying the merits of the project. The key merits that came from the required Small Starts grant submittal materials, which were due to the FTA on September 12, 2011, were:

- High cost effectiveness (pending FTA review)
- More than 500,000 new transit person trips (systemwide, 2017)
- Increased average transit vehicle speeds
- Improved operating efficiencies
- Increased transit mode-split for key markets
- Reduced traffic congestion in corridor
- Linked 52,000 residents with 64,000 jobs (full EmX line, 2017)
- Approximately 600 acres of vacant/re-developable land (1/2 mile around station areas, 2010)

Mr. Skiles said that Small Starts is the FTA's way of determining whether the federal government should participate in funding local projects across the country. A key responsibility of the FTA is comparing large and small transit districts and projects across the country on an equal basis. The FTA tries to level the playing field so that it can fairly evaluate different projects for funding. For Small Starts projects, the FTA looks at cost effectiveness, land use, and economic development. The FTA also assesses local financial commitment for a Small Starts project by reviewing:

- Reasonableness of the capital plan
- If the project will have a large or small increase in operating costs
- If the District is financially stable

If the above three criteria are adequately met and the requested federal funding is 50 percent or less, the FTA rates the project "high." If the requested federal funding is 50 percent or higher, the project is rated "medium." Mr. Skiles said that LTD's project is likely to be rated as medium on the federal share side. A "medium" or better is required to justify an FTA recommendation to advance into Project Development.

When progressing through the Small Starts process, there are primarily three alternatives to be considered: 1) No-Build; 2) Baseline, which allows FTA to index its cost comparison across the country to the proposed build project; and 3) the Locally Preferred Alternative (LPA). Mr. Skiles then described the various details of the three alternatives.

Mr. Skiles next addressed the costs associated with extending the EmX line to West 11th Avenue. He said that Small Starts requires two ways of reporting capital costs: 1) current dollars; and 2) year of expenditure dollars. He explained that the year of expenditure dollars is what is needed to be budgeted for, so it was important to know when the project would be completed. The capital costs in 2011 dollars are \$84.2 million. The year of expenditure dollars is estimated as \$95.6 million (2011 dollars with an inflation factor to 2017). Of the \$95.6 million, \$75 million is federal (Small Starts) funding, which is the maximum federal funding available. This will require \$20.6 million in state funding through sources such as the State Lottery.

Mr. Skiles described the various operations, and management (O&M) costs, and that the analysis had determined that the O&M increase would represent a 2.8 percent increase above the existing system. The FTA considers new project O&M costs under 5 percent more clearly affordable by transit agencies than costs over 5 percent.

Mr. Skiles explained how the FTA calculated cost-effectiveness. Factors such as comparisons of alternatives, frequency, wait times, and EmX attracting more riders than standard service were considered. Based on the proposal of the LPA versus what the baseline alternative would be, a cost of \$6.90 was calculated, pending FTA review and approval. He said that this project is likely to be among the highest in cost-effectiveness for a project in the nation this year.

Mr. Skiles next talked about average transit vehicle speeds and travel times, which he said was complicated. The accepted way to look at travel times was to determine the average speed of transit vehicles in the peak hours, in the peak direction, during congested times, and in three different corridors; and to look at the average transit vehicle speeds. With the LPA, it was determined that there would be a 10 to 34 percent increase in transit vehicle speeds. Annually, user benefits would be 900,000 hours of travel time saved under the LPA. Transit dependent riders would make up one-third of the travel time saved. The LPA also improved operating efficiencies and congestion.

Mr. Skiles referred next to the user benefits maps shown in the PowerPoint presentation, which showed the level of benefits to riders under the LPA compared with the Baseline alternative. The maps showed wide areas that would have measurable benefits due to travel time improvements, with few small pockets indicating reduced benefits from increased transit travel time due to new transfers. The few areas negatively affected are vastly outweighed by overall benefits provided throughout the corridor.

Mr. Skiles explained the FTA's next steps in the Small Starts project development would be review, approval, and rating by the FTA; which would be based on the definition of the alternatives, the methods, and the results. The rating by the FTA must be "medium" or better for the project to advance. The FTA rating will be based on its detailed evaluation of the project, local financial commitment, and the overall comparison of the project with other Small Starts projects. Project readiness will be assessed, which is the capability and capacity for the undertaking of moving into project development. LTD has demonstrated with its previous EmX projects that it has the capacity and capability. The next stage of the project will be Project Development, which includes preliminary engineering and final design. If the FTA approves the project, it will be considered for inclusion in the President's FY 2013 budget. The FTA's commitment to fund the project would come in 2013 when a Project Construction Grant Agreement could be signed.

Mr. Eyster asked for confirmation that when Mr. Skiles was hired by LTD, his charge was not to find a way to make the project work, but to study and determine if the project was feasible.

Mr. Skiles said that he was charged with reporting accurate data for thorough review by the FTA. He said that was important because the FTA required accurate data and analysis and ensures consistent high standards nationwide.

Mr. Eyster said that another critical piece of information to be considered by the Board in the future, was if it was satisfied that the District could operate such a system.

Mr. Evans stated that the expansion's overall benefit to the community must be clearly defined.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing testimony to the Board.

Bob Macherione, 1994 Brewer Avenue, Eugene, said that the conversation was interesting, and that the Board had pulled off a miracle. He questioned the numbers provided in the presentation. One question was regarding the West Jefferson neighborhood mode-split commute. He reminded the Board that the people in West Jefferson did not want the EmX in their neighborhood, yet there was an increase of 30 to 37 percent because the LPA was not through that neighborhood. He said that did not sound correct. He said that the 40 percent increase in ridership was speculative. He said this was based on numbers that LTD provided. LTD had used the 40 percent increase number already, and when pictures of empty Gateway buses were shown, someone should have to back up from that 40 percent claim. He said that the \$1.2 million cost analysis was the same \$1.2 million that

justification had been previously asked for. All that was actually corrected was the current fuel costs, but no other accurate number was provided. He said that this was not an actual report, and anecdotal information was not fact either. LTD was going in the wrong direction. LTD had not addressed its pension problem, which was escalating due to stock market conditions. Reserves had not been addressed. LTD would be spending the free money it received from the federal government during the next five years down to nothing. He said LTD could not afford this. The reports said LTD was healthy, but he did not see it. He did not understand why LTD was pushing so hard to go down this road. Even without public opposition, LTD should not be on that road.

George Cole, 2730 West 11th Avenue, Eugene, said he was still unhappy with the fact that he was ignored 10 years ago by LTD for \$160,000, and he was still unhappy because he was still paying for it. He said that he was disappointed that there were only two people on the LTD appointed Board that would even listen to the concerns on West 11th Avenue. When he heard there was going to be 600 available acres there, he wondered if that included the holes that would be created, like the holes that were created in downtown Eugene that had to be filled with taxpayer's money because businesses there were going to fail. He unhappy with the LTD Board and staff saying that mixed traffic mitigation would solve all the problems. It would not solve any problems; it would slow down service, and make traffic more difficult. What would happen was that with the rapid transit at intersections, and spending \$1.2 million, the system was not going to work; and the property in between would have to be condemned. He said that it was going to take people longer to get where they want to go anyway. All LTD was doing was to be in compliance with the Mayor's wishes. He said he had to discipline himself to realize that LTD was only dealing with appropriated dollars and forget about earned dollars. LTD will have to tax the earned dollars (the businesses) to make this project work. A qualified accountant in town told him the system was going to fail in five years by its own weight. He said we do not need this, but to service Eugene by restructuring of the routes, which was alluded to in tonight's discussions. However, LTD was still going to waste money on something people do not want.

Josef Siekial-Zdzienicki, 1025 Taylor Street, Eugene, brought up that on page 10 of the presentation under "Average Distance Times," there was a transit time for 6th and 7th Avenues, but there was no transit on 6th and 7th Avenues. He said that he had no idea where that information came from and that it was total fantasy. He asked what would happen to 11th and 13th Avenues between downtown and Garfield with the proposed rerouting.

Salaried Employees' Retirement Plan Design: Director of Human Resources and Risk Management Mary Adams introduced Attorney Everett Moreland of Hershner Hunter LLP.

Ms. Adams said that several months ago, the Board made a decision to review the Salaried Employees' Retirement Plan. Since February 2011 the Human Resources (HR) Committee has discussed the plan in a number of different meetings in different formats. On June 13, 2011, the full Board gave the HR Committee direct guidance on what the plan should look like. On August 9, 2011, the HR Committee met to do design work on the final plan. Mr. Moreland drafted a proposed plan with input received from the HR Committee. The Board was not being asked to adopt the proposed plan at this time, but to provide feedback on the components of the plan.

Ms. Adams said that on June 13, 2011, the Board gave guidance to the HR Committee that it wanted the cost of the plan to be no more than 9 percent of an employee's payroll and that the defined contribution should be approximately 6 percent of payroll. The plan created a schedule of contributions that started at a smaller level for new employees and ended at a higher level percentage for longer-term employees. The Board's direction reflected that it wanted to reward long-term employees.

Mr. Dubick commented that the goal of the Board was to limit LTD's costs and to shift the investment from LTD to the individual employees, thereby limiting LTD's liability.

Mr. Kortge noted that it was important for the Board to recognize that the plan would only affect new hires. Over the short-term (three to four years) the actual cost of operating the plan would probably increase because there would be a lower number of people. This was a long-term fix to a problem created because of what the Board understood was the way to operate a pension plan that had changed over time.

Ms. Adams pointed out that in the schedule, LTD's contributions would be lower to start. The intent was to encourage long-term service, but it also helped with cost in the early years of the plan.

Ms. Adams said that the benefit structure showed that there would be a defined contribution, which would be LTD's contribution, and a second piece was the matching plan to help people get started on their own retirement plan. The Board had indicated that it wanted the matching plan to be approximately 3 percent of the cost. The employer matching contribution would be up to 50 percent of the employee deferral on the first 6 percent of compensation. She said the employer contribution could be changed later if deemed necessary. Ms. Adams added that the new plan would be for new hires beginning January 1, 2012.

Mr. Kortge asked if after the new retirement plan went into effect, an ATU member moved into a salaried position, would that member start the new plan? It could be seen as a barrier for someone wanting to make that position change.

Ms. Adams explained that in that scenario, the employee would have two plans. The existing plan would not be given up, but there would be no further contributions to that plan.

Ms. Adams said that the new plan also needed to define compensation, which differs from the current salaried plan. The current plan allows an employee to cash out his/her remaining consolidated annual leave (vacation and sick leave benefit). That cash-out goes toward the final compensation figure for purposes of calculating retirement benefits. The new definition was narrower and did not include the cash out. She said the new definition was more consistent with public plans in development.

Mr. Kortge explained that the new plan was liberal in terms of defining an employee. The hire date on which the employee first worked one hour for LTD would be the relevant factor in determining an employee's eligibility for the new retirement benefits.

Ms. Adams said vesting was based on elapsed time and not on working a minimum number of hours in a year. An employee would earn a year of vesting service on each anniversary date of the date of hire.

Ms. Adams said graded vesting would be used for Employer Discretionary and Matching Contributions to provide a significant financial incentive to continue working with an employer throughout the vesting period. For example, after three years of employment with LTD, an employee could withdraw 30 percent of discretionary contribution and 100 percent of matching contribution. The HR Committee had met with actuaries who recommended the graded vesting. The graded vesting was considered very generous and not typical, as many plans do not allow an employee to withdraw any money from the Matching Contribution in the first or second years of employment.

Regarding entry provisions, Ms. Adams said that an employee would immediately participate in the retirement plan, and ATU transfers would immediately participate upon transfer.

Ms. Adams said that the definition of retirement would change with the new retirement plan. Normal retirement would be the latter of age 65 or five years of service. The current plan was age 60, which was a significant change. At ten years of service, an employee could withdraw 100 percent.

Ms. Adams next addressed defined contribution investment options. The new plan does not dictate investment. The new retirement plan would give employees a list of choices with options. It was not necessary at this time in the development of the new retirement plan to define what the investment options would be.

One item Ms. Adams said that the Committee felt strongly about was getting employees involved early with automatic investments. One way to do that was to automatically enroll at the point of hire. Actuaries advised that initial enrollment at 6 percent, or the maximum contribution level that was matched by LTD, was a common number. The HR Committee thought that was a reasonable place for employees to start. Employees would have the option to change that, including withdrawing; and there would be a certain number of days within which to make that decision. Employees would start with enrollment at 6 percent, but be able to opt out.

The next plan change that Ms. Adams mentioned was the employer matching contributions equal to 50 percent up to the first 6 percent. Because employee contribution would be an important piece in employees amassing sufficient retirement income, a matching contribution formula, which encouraged higher contribution rates, was recommended. The plan would have the ability to adjust this over time if it did not seem to be the right contribution level.

Ms. Adams said that another important issue was whether the new plan would provide an annuity upon retirement. The HR Committee expressed that they felt that the new plan should not require nor offer annuities. An employee could take his/her lump sum distribution and buy an annuity on the open market. This would have the effect of shifting the investment risk from LTD to the employee, and LTD would educate the employee on investment options.

Lastly, Ms. Adams said the new plan would not allow hardship withdrawals, in-service distributions, or loans.

Mr. Eyster said that the draft plan that was presented correctly portrayed what the Board had requested.

Mr. Moreland said that he would finalize the draft plan for the Board's approval and adoption at the September 21, 2011, meeting. He said that after the Board's adopts the new plan, it would rest with the Internal Revenue Service for approval.

Ms. Adams reiterated that the new plan, if adopted and approved, would be effective on January 1, 2012.

EXECUTIVE (NON-PUBLIC) SESSION: Mr. Dubick moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(a), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Gillespie provided the second.

VOTE: The motion was approved as follows:
AYES: Eyster, Dubick Evans, Gillespie, Necker, Kortge, Towery (7)
NAYS: None
ABSTENTIONS: None
ABSENT: None

The Board entered executive (non-public) session at 7:56 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 9:02 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 9:02 p.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
REGULAR BOARD MEETING/WORK SESSION/EXECUTIVE SESSION

Wednesday, September 21, 2011

Pursuant to notice given to *The Register-Guard* for publication on September 15, 2011, 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 and executive session on Wednesday, September 21, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

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 reported that a representative from Portland's transit district, TriMet, had made a presentation to the Metropolitan Policy Committee (MPC) on September 8, 2011, regarding its business assistance plan for construction projects. He said that LTD staff would consult with TriMet staff as LTD moved forward with projects and acknowledged the Board and District's concern with any impacts of EmX route expansion on the business community.

Mr. Evans arrived at 5:36 p.m.

Mr. Necker agreed with Mr. Eyster's remarks and reminded staff that there were two types of impact on business: short-term and long-term. It was important to address both and particularly stress that the long-term impact would be positive.

Ms. Towery observed that EmX also was good for the overall quality of life in the community.

Mr. Gillespie praised the performance of LTD bus operators during the detours encountered while road work was in progress on Hilyard Street in Eugene.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: General Manager Ron Kilcoyne reported on his briefing at the Region X Federal Transit Administration (FTA) office and said he was continuing to become acquainted with LTD staff and the local area.

Mr. Evans announced that Michael Melaniphy would become the new American Public Transportation Association (APTA) President effective November 1, 2011. He also noted that Allan Pollock of Salem-Keizer Transit would be joining the APTA Board of Directors and suggested sending Mr. Pollock a letter of congratulations.

Mr. Dubick expressed concern that minutes were not being approved by the Board until several months after the meetings had occurred and asked that the matter be discussed at a future meeting.

BOARD CALENDARS: Mr. Kilcoyne reviewed activities on the Board calendars, including participation in the APTA conference and expo in October.

WORK SESSION

Draft Long-Range Transit Plan Goals: Director of Planning and Development Tom Schwetz observed that long-range goals were typically aspirational in nature and asked Board members to consider whether the District's goals individually and collectively remained relevant to plans and activities and provided consistent direction on implementation. He reviewed development of the Long-Range Transit Plan and the implications of uncertainties related to energy, climate, economics, and population. He said that the two key uncertainties identified for the plans were 1) traditional and new mobility markets; and 2) the District's adaptive capacity.

Sam Suskind, of CH2M HILL, explained that the Board defined, through its goals, the nature of the public good provided by the District. He said that the plan's goals were formal expressions of the values and principles important to the Board and to the organization. The objectives and actions in the plan were more specific and short-term and were focused on operations and procedures to meet the goals. He said that the Board's challenge was to: 1) determine whether the right goals were in place to guide and focus LTD during the next five to ten years; 2) decide if the goals prepare the District to adapt as the future unfolded; and, 3) determine if the objectives reflect the broader goals and lend themselves to measurement.

Mr. Schwetz distributed a table titled, *Societal Scramble*, which illustrated the current values, projected 2021 values, and hypothetical 2021 values for the following factors: population, employment, ridership, fuel cost, and capital funding availability. He asked Board members to evaluate goals and objectives against the scenario represented by the hypothetical values, which reflected variations from the projected figures.

Mr. Kortge said that although there would be more jobs than predicted, the hourly wages would be lower, and, therefore, payroll tax revenue would be proportionately lower.

Mr. Necker added that personnel costs would increase because of the rising cost of health insurance.

Mr. Dubick said that a larger population and higher fuel costs would significantly increase ridership, and the District would not only need to increase its capacity, but work with communities to assure that riders have safe access from their homes to transit. Land use planning and development would need to be integrated with transit access.

Mr. Evans raised the issue of federal funding versus private financing. He felt that the District would move in the direction of public/private financing models, and the question was how to shape those partnerships to meet capital needs in the face of declining federal funds.

Mr. Kortge added that the District's fleet was aging, and it would be necessary to keep aging buses on the road if the District could not meet the expense of replacements.

Mr. Gillespie said that high fuel costs in the future could result in a viable car share program because fewer people could afford to maintain and operate private vehicles. He noted that the increased number of jobs also could trigger an increase in the payroll tax.

Mr. Evans said another factor was changing technology and the need to incorporate that in long-range planning.

Mr. Schwetz asked Board members to comment on how the goals and objectives would help guide the organization through the challenges ahead.

Mr. Kortge said that Goal 5 and its four objectives would be helpful to the District, but cautioned about language regarding funding and the likelihood that the District's funding model would change.

Mr. Necker said that Goal 4, particularly the language related to pedestrian and bicycle access to transit stops, was good but also should include the "complete trip" concept. He said that community dialogues regarding integration of transit investments and land use planning had begun.

Mr. Kilcoyne said Goal 8, with its focus on the environmental impacts of transit, also addressed the need for integration of transportation and land use planning and development. He said that the reduction of transit-related vehicle emissions had an economic component because currently the cost of low emission vehicles was significantly higher and required additional financing.

Mr. Evans asked about the cost of compressed natural gas (CNG) retrofitting of vehicles. Mr. Kilcoyne replied that CNG required a different fueling system, which was a capital cost; and CNG buses performed poorly on hills. He said that from an emissions perspective, the difference between CNG and clean diesel was minimal, and it had not been determined that CNG emissions were safe.

Ms. Towery said Goal 2 supported new mobility markets and future population growth along with lower-wage jobs, which meant that more people would rely on transit as their only transportation option. Increased demand from an aging population, along with the need to provide equitable service to outlying areas as well as with urban areas, also would pose challenges for the District.

Mr. Kortge commented that statistics indicated that the demand for service from the older population was not increasing proportionately as expected, and that presented a planning issue.

Ms. Towery said that easy access to transit stops was a factor for the elderly.

Mr. Dubick observed that while it was the hope that population would grow through infill, the economic reality was that the cost of housing would result in more growth in outlying areas, creating a tension between the concepts of smart growth and actual growth.

Mr. Eyster said that innovation and creativity had been hallmarks of the District, and those characteristics would be even more important in the future. The goals should reflect those values.

Mr. Evans said that Goal 6 addressed engaging the community. The District should restructure its approach from project-specific engagement toward constituent-based engagement, particularly ridership and the business community. Other constituencies included the community at large and labor.

Ms. Towery said that creating committees was the old way of engaging the community, and the District should explore opportunities and models for social innovation and create community conversations to address issues.

Mr. Gillespie said that Goal 1 reflected the District's current initiative to expand bus rapid transit. He said that while the District had adaptive capacity, it was dependent upon factors such as ridership, payroll receipts, the economy, and fuel costs.

Mr. Schwetz thanked the Board for its input and said that staff would return to the Board with revisions to the plan that reflected the Board's comments.

Carpool2save Incentive Program: Rideshare Program Coordinator Tracy Ellis stated that LTD was one of the transportation options programs to receive an Oregon Department of Transportation (ODOT) grant. She presented statistics on the number of program participants, incentives provided, and program results. She said that of 146 participants, 80 percent were new to the Rideshare database. The 44 carpools completing the program logged 1,639 trips and saved more than 68,000 miles. She distributed copies of the program's final report and shared some of the many positive comments and suggestions from participants.

Ms. Towery encouraged staff to share program results with the media because it was an important story to tell and could influence more people to consider carpooling because of the cost savings and environmental factors.

EMPLOYEES OF THE MONTHS: The Board recognized Bus Operator Paul Holbrook as the August 2011 Employee of the Month, Facilities Maintenance Generalist Sonny Melhorn as the September 2011 Employee of the Month, and Administrative Secretary Renee Jones as the October 2011 Employee of the Month.

Mr. Eyster thanked Mr. Holbrook, Mr. Melhorn, and Ms. Jones for their service and dedication to LTD's mission and presented certificates of appreciation, checks, and pins commemorating the awards. Recipients expressed appreciation for the acknowledgement of their service and thanked the Board for their awards.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing public comment.

Bob Macherione, 1994 Brewer, Eugene, said that 300 visits to businesses over a four-year period did not seem adequate when there were 800 to 1,200 businesses and properties along the proposed EmX line. He was concerned with the allocation of \$11,000 of the \$55,000 ODOT grant for the Carpool2save Incentive Program. He had read the final report and noted that 42 percent of participants did not complete a program questionnaire. He felt that the Board was dismissive of citizens who came to meetings and identified concerns. He compared the costs and boardings of the Gateway and Franklin EmX projects with the projected figures for the West Eugene route and said that the Board was in denial of the facts.

Delores Kindrick, 580 Hayden Bridge Place, Springfield, submitted a written statement that was read by LTD staff. The statement was a letter of petition signed by residents in the vicinity of Hayden Bridge Place in Springfield requesting reconsideration of rerouting buses on the residential streets in their neighborhood, citing concerns about safety and impacts on roads. The residents offered suggestions for mitigating problems.

Beryl Johansen, 415 Cambridge Street, Springfield, stated that she had given up her car 20 years ago, in part because there was a convenient bus stop at the corner. She said that the stop had now been eliminated, and loss of that direct access made it much more difficult for her reach many destinations. She said that walking was hard, and she occasionally used RideSource. She admired EmX but regretted that people who used the regular system were being overlooked. She hoped the District would reconsider route #12 from downtown to Gateway.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Dubick moved adoption of LTD Resolution No. 2011-020: It is hereby resolved that the Consent Calendar for September 21, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the December 10, 2010, Strategic Planning Session; December 13, 2010, Special Board Meeting; December 23, 2010, Executive Search Committee Meeting; January 19, 2011, Regular Board Meeting; March 31, 2011, Executive Search Committee Meeting; May 6, 2011, Special Board Meeting/Executive Session; May 25, 2011, Special Board Meeting/Executive Session; July 20, 2011, Canceled Board Meeting; August 17, 2011, Canceled Board Meeting; August 29, 2011, Board Meeting by Conference Call; Budget Committee Nomination: Donald Nordin; and LTD Resolution No. 2011-021 Reaffirming District Boundaries.

VOTE The Consent Calendar was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Fare Policy Update: Director of Service Planning, Accessibility, and Marketing Andy Vobora stated that the update had been requested by auditors during the triennial audit, and the update incorporated language related to the Title VI equity analysis, as well as other minor editorial updates as noted in the draft. He said that the auditors had reviewed the proposed language and found it acceptable.

MOTION Mr. Kortge moved adoption of LTD Resolution No. 2011-022: I move that LTD approve the 2011 revisions to the Lane Transit District Fare Policy as presented. Ms. Towery provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

LTD to Sign APTA's Sustainability Commitment: Mr. Schwetz reviewed highlights of the Sustainability Commitment that APTA was asking transit districts to sign. He said that it was consistent with LTD's practices and said that APTA's commitment would further advance sustainability in all areas of the organization.

Mr. Kilcoyne said that this commitment would allow LTD to be recognized for its efforts and help keep the District focused on sustainability.

Mr. Evans asked how LTD compared with the matrix of evaluation criteria in the APTA Sustainability Commitment. Mr. Schwetz said a review of the criteria indicated that LTD was heading in the right direction. Mr. Kilcoyne added that LTD was probably at the second tier, and he was not aware that any other district had yet achieved the first tier.

MOTION Mr. Evans moved approval of LTD Resolution No. 2011-023: It is hereby resolved that the LTD Board of Directors authorize LTD to become a signatory to APTA's Sustainability Commitment. Mr. Gillespie provided the second.

Mr. Kortge expressed concern about language related to economic sustainability. He said that there were no examples in the document, but felt economic sustainability related to health insurance and pension plans.

Mr. Kilcoyne said the language acknowledged the need for a district to operate in an economically sustainable fashion, not specifically the provision of employee benefits.

VOTE The resolution was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Salaried Employees' Retirement Plan Adoption: Director of Human Resources and Risk Management Mary Adams briefly reviewed the plan, noting that feedback from the Board at previous meetings had been incorporated into the final version presented for adoption.

MOTION Mr. Dubick moved adoption of LTD Resolution No. 2011-024: It is hereby resolved that the Lane Transit District Salaried Employees' Retirement Plan, as drafted and attached for September 21, 2011, is adopted as presented. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Ms. Adams said that staff would now move forward with implementation of the plan.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports:

Metropolitan Policy Committee (MPC): Mr. Eyster reported that Mr. Schwetz had provided an update to the MPC at its September 8 meeting, and a copy of the draft Regional Transportation Plan (RTP) had been distributed.

Metropolitan Planning Organization's Citizen Advisory Committee (MPO CAC): Mr. Gillespie said that the MPO CAC would meet on September 22 to review the draft RTP. He reported that he agreed to serve as a Committee member for another year.

Lane Area Commission on Transportation (LaneACT): Mr. Dubick said that the LaneACT had met on September 14 and began discussion of a prioritization process for projects should modernization funds become available in the future. He announced that ODOT Area Manager Sonny Chickering had accepted a promotion and would be moving to Salem.

Triennial Review Final Report: Director of Finance & Information Technology Diane Hellekson explained that the Triennial Review was an intense examination of all aspects of the District's operations. She commended the efforts of staff, particularly Purchasing Manager Jeanette Bailor and Finance Manager Todd Lipkin, during the Review. She said that the only deficiency noted was in the fare policy, and the Board's adoption of the policy update had fixed the problem. She said that this had been LTD's most favorable review yet and encouraged Board members to read through the final report.

2011 Legislative Session Review: Director of Human Resources and Risk Management Mary Adams said that the District had been successful in obtaining lottery funds. She said that \$4 million had been set aside in the *ConnectOregon IV* legislation, and the District would be looking at that for future projects. She reviewed outcomes for the Business Energy Tax Credit (BETC), Elderly and Disabled Funding, and the Senior Medical Tax Deduction legislation.

Mr. Gillespie asked if legislative redistricting had affected LTD subdistricts. Ms. Adams replied that the Secretary of State was responsible for TriMet and LTD redistricting, and she expected that the results would not be available until December. She was in close contact with the Secretary's office and hoped that the District would have input into the process.

Monthly Financial Report: Ms. Hellekson reviewed the report which contained information for both July and August. Ridership data was only available through July when the report was prepared. She said preliminary data for August indicated strong numbers. She said that payroll tax receipts were consistent with expectations, and personnel services were under control due to the wage freeze and retirements. Fuel costs were increasing somewhat but still below budget. She said that the major concern was replacement of BETC funds to support the student transit pass program. She added that the sale of passes could replace some of the funds, but a gap would remain.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(h): Mr. Kortge moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(h), to consult with council concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. Mr. Necker provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

The Board entered Executive Session at 7:34 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:10 p.m.

OTHER BUSINESS: Ms. Schapper provided a brief review of government ethics since the Board would be attending the APTA Annual Meeting in early October. A reminder that a \$50 limit, which now includes entertainment, applies whenever accepting gifts from any entity that has a legislative or administrative interest in a government official's capacity as a decision maker for the governmental body.

ADJOURNMENT: There was no further business, and Mr. Eyster adjourned the meeting at 8:15 p.m.

LANE TRANSIT DISTRICT

ATTEST:

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING/WORK SESSION/EXECUTIVE SESSION

Wednesday, October 19, 2011

Pursuant to notice given to *The Register-Guard* for publication on October 13, 2011, 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 and executive session on Wednesday, October 19, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Gary Gillespie
Michael Dubick
Doris Towery
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Beth Bridges, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and call roll at 5:34 p.m.

COMMENTS FROM THE GENERAL MANAGER: General Manager Ron Kilcoyne shared that he was a guest on the KPNW radio show that morning answering questions from the public. Mr. Kilcoyne reported that staff were working on ways to address the backlog of minutes. The goal is to have the previous meeting's minutes ready for Board approval at the next meeting. Mr. Kilcoyne reported that staff will bring to the Board an update on options to improve community accessibility to LTD Board meetings. He added that staff were researching the creation of a Safety and Security Committee, and he hoped to have an update for the Board at the November Board meeting.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster presented Mr. Evans with a plaque from the American Public Transportation Association (APTA) in recognition of Mr. Evans' contributions to the APTA Executive Committee.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Mr. Eyster shared that he had an announcement, but that it involved introducing someone who was not yet in attendance. There were no changes to the agenda.

BOARD CALENDARS: Mr. Kilcoyne said that the regular December Board meeting would not be held on the regularly scheduled date of December 21 but would instead be combined with the work session on Monday, December 12. Mr. Kilcoyne encouraged Board members to give their availability information to Ms. Schapper so that she may schedule a Board strategic planning work session in January.

WORK SESSION

System-wide Ridership Report: 2010 Annual Route Review Effects: Director of Service Planning, Accessibility, and Marketing Andy Vobora delivered a presentation on 2010 ridership data.

Mr. Vobora highlighted the times that boardings exceeded one million per month. He said that the Year 2008 had the most total boardings because of the Olympic Track and Field Trials that were held in Eugene.

Mr. Vobora described that LTD measured "on-time performance" as between zero minutes early to four minutes late. He pointed out the cyclical pattern of the data, with a dip in the fall.

Mr. Necker asked why there was a decline in performance during the winter of 2008.

Service Planning Manager Will Mueller explained that the decline was due to snow and ice incidents. Mr. Mueller also said that it was more common for problems to occur in routes in the fall because of student enrollment, extra traffic, and driver assignment changes.

Mr. Kortge asked if the problems occurring in the fall were system wide or route specific.

Mr. Mueller replied that they were route specific, citing Routes 28, 51, and 52. He said that articulated buses took longer to complete routes due to the increased time needed for more people to board and disembark the bus.

Mr. Vobora observed that when trips were eliminated, riders shifted to different times on the route.

Mr. Vobora described that for overall performance, 90.5 percent of routes were on time or within two minutes late to arrival at transfer stations.

Mr. Vobora said that the college commuter routes had the highest route productivity. The substandard routes, determined by a floating standard by route type, were Routes 96 and 95. Mr. Vobora speculated that Route 95 would no longer be substandard when the new data collected later in October was analyzed.

Mr. Eyster inquired about the increase in Fall 2008 route productivity for Route 79x.

Mr. Muller said that LTD had increased the nighttime service hours.

Mr. Eyster added that another factor that may have added riders that year was probably an increase in the number of freshmen beds at the University of Oregon (UO).

Mr. Evans asked about the impact of increased Lane Community College (LCC) student enrollment on ridership, and he asked if there were any route adjustments that could be made to deal with the increase. Mr. Evans also shared his concern about the lack of evening service for students taking LCC night classes.

Mr. Vobora explained that he had recently met with LCC's Sustainability Coordinator Jennifer Hayward. He said that there was always a big surge of ridership at the start of each term, and LTD had added a bus for the first two weeks of the fall session to help with the increased ridership. LCC and LTD staff had looked at additional ways to supplement service during the surge and possibly extend the adjuncts on an ongoing basis if needed.

In response to a question from Mr. Gillespie, Mr. Mueller said that Route 81, which came into the Eugene Station, was coming from LCC. Mr. Gillespie had observed that those buses had high ridership when they arrived at the station, but the outgoing bus was nearly empty. Mr. Mueller acknowledged that observation and said that there was some abatement in LCC ridership already. He then emphasized the value of the current dialog around LCC purchasing additional service during the first two weeks of each new term.

Mr. Gillespie said that he noticed the same decline in ridership throughout the term at UO on Route 28.

In response to a suggestion from Mr. Necker that LTD change the buses being used on the outgoing trips to LCC, Mr. Mueller said that the capacity provided by the articulated buses was needed for the return trips.

Mr. Kilcoyne shared an experience he had earlier that day: the 7:30 a.m. Route 82 came into the Eugene Station full and then it left full. This was contrary to the counterflow trend.

Mr. Evans said that LCC had added additional classes, and there was an increase in dual enrollment for UO and LCC that resulted in more trips per student.

Mr. Gillespie asked if Route 82 now stopped at the Amazon Park & Ride, and Mr. Muller said that it did. Mr. Mueller added that it was possible that other route changes could have resulted in more riders accessing the Route 82 bus at that Park & Ride. He expressed that he was hopeful that the upcoming Origination and Destination survey would provide more detailed information.

Mr. Vobora directed the Board's attention to the *Service Hours and Year to Year Change* graph. He highlighted the increase in service through Fiscal Year (FY) 2008-09. Mr. Necker asked if the increase was more buses to more routes. Mr. Vobora replied that, to address congestion on certain highly traveled routes, more time was added to those particular trips.

When discussing *Boardings and Service Hours*, Mr. Vobora noted the increased ridership due to the economic recession had kept boardings fairly constant. However, the drop in service hours resulted in a significant change in productivity. Mr. Mueller added that in FY 2010-11, there was a service reduction of 11 percent, but the ridership drop was only 1 percent. This data illustrated why buses were more crowded and why drivers were under more pressure.

Mr. Vobora next focused on Springfield service changes and how service had been retooled in the area to reflect both service reductions and the Gateway EmX line. Mr. Mueller described some of the nuances in the route changes, specifically the Q Street service. He thanked the Board for their insistence that the route be maintained.

Mr. Evans reported that he had observed someone doing survey work when he was on the Route 82 bus yesterday, and he asked if that was a system-wide survey.

Mr. Vobora said that was the Origination and Destination (O & D) rider sample survey, and that it was indeed system wide. Mr. Vobora said that he would give a full report on the O & D survey later in the meeting. Mr. Gillespie shared that he had completed a survey.

Mr. Vobora described the system changes and how the changes had impacted the number of boardings, including transfers. He indicated that LTD had planned to conduct an intercept survey this winter to determine the portion of boarding changes due to transfers versus other factors. Mr. Vobora discussed other service changes in Springfield.

Mr. Kilcoyne pointed out the lower growth in boardings at the Springfield Station was deceptive because the number of people who required transfers to Gateway or RiverBend had declined due to the Gateway EmX.

Mr. Vobora referenced the chart entitled *Effect of 2010 Annual Route Review on LTD Ridership*. The chart illustrated service changes by geographic area. The South Eugene area and the Breeze route had experienced the most changes.

Mr. Mueller emphasized the system-wide information showed a 12 percent decrease in service hours and yet a .4 percent increase in ridership.

Mr. Necker observed that the boardings for the Breeze included people going to the UO.

Mr. Vobora confirmed this observation and further speculated that the loss of the Breeze route was a contributing factor to the increased ridership on the Franklin EmX line.

Mr. Vobora shared detailed information on boardings for Routes 82 and 85. He referenced the aforementioned LCC term commencement for the spike in boardings in September. He also pointed out the increase in demand for service during the summer. Mr. Vobora said that the Route 85 corridor was developing rapidly, and the need for more parking or a Park & Ride in Springfield was apparent.

Mr. Mueller added that the route could become a potential future EmX line connecting the Gateway portion of the EmX to LCC.

Mr. Eyster made an adjustment to the agenda: he first wanted to make an announcement and then do the Employee of the Month, then go back to the agenda as published.

ANNOUNCEMENTS cont: Mr. Eyster introduced Bobby Lee, who was recently appointed by Governor Kitzhaber to be the coordinator for the Metropolitan Regional Solutions Center of Lane County.

Mr. Lee described the Regional Solutions Center s is an innovative, collaborative approach to community and economic development in Oregon. The state, in partnership with Oregon colleges and universities, is creating regional solutions centers throughout Oregon. Each will take a bottom-up approach to development projects by working at the local level to identify priorities, solve problems, and seize opportunities to complete projects. This center will integrate state agency work and funding to ensure that these projects are completed in the most economical and streamlined process possible. The Eugene offices are on 13th Avenue near the UO campus. Mr. Lee relayed that the first problem that they worked to address was the impact of the I-5 ramp closure on Franklin Street hotels. Future issues might include low income housing and industrial land supply.

EMPLOYEE OF THE MONTH: The Board recognized Maintenance Supervisor Aaron Melnychuk as the November 2011 Employee of the Month. Director of Maintenance George Trauger introduced Mr. Melnychuk and described his contributions to LTD.

Mr. Eyster thanked Mr. Melnychuk for his service and dedication to LTD's mission and presented a certificate of appreciation, a check, and a pin commemorating the award. Mr. Melnychuk expressed his appreciation for the acknowledgement of his service and thanked the Board for the award.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing public comment.

Bob Macherione, 1994 Brewer, Eugene, advocated for the LTD Board meetings to be televised in order to improve the transparency of the Board's decisions. He said that other agencies' meetings were televised, and he said that he thought that the cost was not prohibitive. The website had not met the need because minutes, Performance Reports, and Financial Reports were not promptly posted. Mr. Macherione also felt that public interest in LTD matters would be heightened were the meetings televised. He requested that the Board address the matter.

Steve Davis, Blanton Heights Road, Eugene, introduced his son, Jake. He said that Jake now had a job at Goodwill, and the family very much appreciated RideSource. The safety issues that Mr. Davis had previously raised with the Board had been resolved because RideSource now picked Jake up at their home. Mr. Davis expressed that he had concerns about the cost of the service because they live just outside the boundary. Instead of \$3 per trip, they pay \$7 per trip. He said that he felt that \$14 a day was not reasonable. He presented trip information and requested that the RideSource fees be reconsidered.

In reply to Mr. Macherione's earlier comments, Mr. Eyster said that Mr. Kilcoyne had mentioned in his opening comments that staff would be bringing to the next Board meeting ideas to improve public access to Board meetings. Mr. Eyster said that the Board had talked about televising meetings in the recent past, and his recollection of the cost was around \$2,500 per meeting. The Board had expressed that they thought that was not an appropriate expenditure at that time.

WORK SESSION CONTINUED...

University of Oregon Transit Station Opening: Facilities Manager Joe McCormack reported on the construction phases of the new University Transit Station project.

Mr. Eyster observed that the station site was the most multi-modal intersection in Eugene.

Mr. McCormack said that the multi-modal arrangement had been very successful; and thus far, there had been no recorded pedestrian/vehicle accidents reported at the site.

Mr. Kilcoyne referenced an English traffic engineer who theorized that if all the barriers were removed and everyone slowed down, multi-modes coexisted very well.

Mr. McCormack reviewed the scope of work, budget sources and spending, project phases, and the coordination with the City of Eugene and local businesses. Highlights included: installation of the pedestrian signal at 11th Avenue and Kincaid, changes in the Route 79X, competitiveness in achieving grant funding, adaptability of the drivers to multiple rerouting, and the success of Communications Coordinator Lisa VanWinkle for her outreach to local businesses. Mr. McCormack said that the permanent lighting had yet to be installed, and he hoped to add a real-time display of bus arrival information in early 2012. Mr. McCormack concluded his presentation with information on the dedication event. He said that the entire project had been well received by the public.

Mr. Gillespie listed a number of transportation construction projects that had occurred this summer in the South Eugene area. He commended project staff and LTD drivers, noting that the detours changed almost daily. He felt that moving the buses from Hilyard Street to Harris Street at 24th Avenue was very effective. He also noted that the two-way bike lanes on Alder were working well.

ITEMS FOR ACTION

Mr. Eyster requested that the minutes of January 24, 2011, be removed from the Consent Calendar for special consideration.

MOTION **Consent Calendar:** Mr. Evans moved approval of LTD Resolution No. 2011-025: It is hereby resolved that the Consent Calendar for October 19, 2011, is approved as amended. Mr. Kortge provided the second. The Consent Calendar consisted of the minutes of the May 18, 2011, Regular Board Meeting; and the Budget Committee Nomination of Warren Wong.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Eyster referenced Page 6 of the January 24, 2011, minutes of the special Board Meeting/Work Session with Eugene City Council (page 16 of the meeting packet). He had reviewed the audio recording of the meeting and felt that the statement, "He did not want to hear further discussion of reordering the routes," did not accurately portray his remarks. He requested that the sentence be removed before the minutes were approved.

MOTION Mr. Gillespie moved to approve the minutes of the January 24, 2011, Minutes of Special Board Meeting/Work Session with Eugene City Council as amended. Mr. Kortge provided the second.

Mr. Kortge thanked Mr. Eyster for reviewing the audio tape prior to making his request.

VOTE The motion was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports:

Metropolitan Policy Committee (MPC): Mr. Evans relayed that Sonny Chickering had a new role at Oregon Department of Transportation (ODOT) and was no longer the liaison for MPC. Lisa Nell was acting-in-capacity liaison. Mr. Evans said that ConnectOregon IV funding may be available in the near future and that money may be available to assist with funding the Gateway Park & Ride.

Lane Area Commission on Transportation (LaneACT): Mr. Dubick said that ODOT had discussed its least cost planning process and reviewed proposed changes to mobility standards.

Metropolitan Planning Organization's Citizen Advisory Committee (MPO CAC): Mr. Evans shared that Mr. Kilcoyne was appointed staff liaison to the MPO CAC. Mr. Gillespie, Board liaison to MPC CAC, welcomed Mr. Kilcoyne to the Committee and reported on its ongoing work on the draft TransPlan.

American Public Transportation Association (APTA): Mr. Eyster debriefed his impressions of the 2011 APTA Annual Meeting and Expo that took place on October 1-6. He particularly enjoyed the Expo show of vehicles and equipment, and he thought that some of the new vehicles displayed might be of use in the RideSource program.

Mr. Evans, a member of the APTA Executive Committee, described the Committee's discussions at the recent conference on workforce development. There was consensus in the industry that an upcoming deficit in skilled labor to fill mechanic and maintenance employee positions needed to be addressed. The Executive Committee discussed options to fill the gap, including programs at community colleges.

Mr. Kilcoyne also attended the APTA conference, and he said that he expected to be chair of the Small Operators Committee next year, which also placed him on the Executive Council. Mr. Kilcoyne reported that there was no definitive answer on upcoming federal funding for transportation projects. Mr. Kilcoyne also described discussions around APTA forming a political action committee (PAC). The Senate Appropriations Committee for Transportation had moved bus rapid transit out of Small Starts and into Bus Facilities. The ramifications of this move were unclear.

In response to an observation from Mr. Eyster related to the equipment show, Mr. Kilcoyne said that equipment to increase bicycle capacity on buses and tools to provide real-time arrival information would be of use to LTD.

Mr. Evans added that there was little consensus on the APTA Executive Committee about the PAC, and he would appreciate getting Board feedback on the topic.

Mr. Kilcoyne described three approaches that could be taken to form a PAC: 1) formed by APTA; 2) formed by a group separate from APTA; or 3) formed by a separate group but related to APTA.

This being the first APTA Annual Meeting and Expo that Mr. Gillespie had attended, he said that he valued the presentations from the federal government and those discussing private/public partnerships. He also appreciated the opportunity to evaluate, peer-to-peer, LTD's system to other similar transportation systems.

Ms. Towery concurred with the observation made about the APTA Expo's floor show. She said that she thought that the biking interconnectivity options presented were very interesting. She emphasized that LTD should do a better job of describing the job creation that occurs with transit development. As an example, she cited that the local community had gained more than 400 living wage jobs because of transit system investments in recent years.

Mr. Eyster shared that public/private partnerships would be a topic on the November Board meeting agenda. He asked Board members to provide the input that Mr. Evans requested about APTA and a PAC.

Mr. Kortge voiced strong concerns with any explicit connection with APTA and a PAC. He did not support public agencies forming a PAC that advocated for more public money for its members. Mr. Dubick supported advocacy but did not support using public money to influence elections. Were a PAC to be formed, Mr. Dubick felt that there should be strong guidelines on what it would do and how it would be managed.

Mr. Kilcoyne clarified that APTA already advocated for public transportation. The PAC would contribute to candidate campaigns. Mr. Kilcoyne emphasized that LTD could not contribute to the PAC.

In response to a question from Mr. Dubick as to whether or not APTA dues could be paid to the PAC, Mr. Kilcoyne said, "No." Mr. Kilcoyne said that one of the options under consideration was for some overlap between APTA and the PAC; for example, shared staff.

Ms. Towery stated her support for Mr. Kortge's position. She felt it was wrong for a public entity to belong to a PAC. If business members wanted to form a PAC, that was their choice.

Mr. Dubick described an analogous situation with public education: the Oregon Education Association PAC advocates for public education and supports preferred candidates, but school districts don't contribute to it. He did not think a public transportation PAC, funded by individuals and businesses, would be able to overcome the strong political sentiment at the moment in relation to transportation funding issues.

Mr. Necker concurred with the position that a PAC was not a good idea. He did not want to use District money for that purpose because a public agency shouldn't lobby for public money.

Mr. Gillespie stated his belief that no LTD money or any other public money would be directed to the PAC. He said that a PAC's primary purpose is to gain access to political decision makers. He was concerned that APTA did not have sufficient access on its own.

Mr. Evans thanked the Board members for their input. He had spoken with other APTA Board members about the topic, and most were not in favor of the idea. The business members were free to form their own PAC, but Mr. Evans stated that his sense of the APTA Board was that they preferred that APTA stay out of it.

Drive Less Connect: Rideshare Program Coordinator Tracy Ellis presented information on the new and improved computer software now available for rideshare users. She described the negative sides of the current system and ways that the new system solved those problems. LTD's Point2point Solutions was selected as the regional administrator for the new system. There was a soft launch of the software in Lane County on September 6, 2011, and ODOT planned a statewide public launch during the first week of November.

Mr. Gillespie asked how the new system worked across jurisdictions. For example, what if someone in Lane County was using the database to connect with someone in the Portland Metro area?

Ms. Ellis said that the old system required dual enrollment. In contrast, the new system shared the same database throughout Oregon, Washington, and Idaho and, therefore, matched rideshares online from throughout the Northwest.

In response to Mr. Gillespie's question about how to access the new system, Ms. Ellis said that there was a link on the Point2point Solutions website, and it also could be accessed directly through www.drivelessconnect.com.

Mr. Eyster thanked Ms. Ellis for the information.

EmX Business Partnership: Mr. Vobora described sample work products that Lane Transit District intern Calvin Brawner had produced to help promote businesses adjacent to EmX stations. The first, *Around Agate Station—A Walking Guide*, showed businesses and points of interest within a 5-, 10-, or 15-minute walk from the station. Some businesses added small advertisements, including Smartphone Quick Response codes, which provided more information or discount coupons. Another

product was a system-wide map of businesses and sights near the EmX line. Mr. Vobora said that nearby hotels have been very enthusiastic about the program and wanted their own copies of the material. One hotel manager went a step further and inquired about buying day passes to distribute to guests with the maps. Mr. Vobora described the effort as one of many cross-promotional campaigns that were being discussed.

Mr. Eyster complimented Mr. Vobora on the project. He said the efforts supported transit-oriented economic development.

Ms. Towery said that the information may be of use for families planning local outings. She also commended the efforts to promote businesses along the EmX line.

Mr. Vobora described the positive interest he had received from the Travel Lane County Board when he presented the material to them.

Transportation Research Projects: Mr. Vobora described two research projects; one was currently taking place, and the next would be conducted in November. As mentioned earlier in the meeting, teams were currently out conducting an Origin and Destination (O & D) survey. This survey was performed every four years. It had recently been updated to reflect changes in federal requirements and to better dovetail with Lane Council of Government (LCOG) transportation planning. Mr. Vobora said that the results would be ready after the first of year, at which time he would invite Selena Barlow of CJI Research Corporation, who was the consultant on the survey, to a Board meeting to share the information.

The second research project was being administered by LCOG and the University of Oregon (UO) Department of Campus Planning. The project will include an online travel diary survey of the students, faculty, and staff at the UO. As the regional Metropolitan Planning Organization for the Eugene-Springfield area, LCOG maintains and updates the regional travel demand model. These statistical models are calibrated using responses to surveys about where, when, and by what mode people travel to particular destinations throughout the day. Mr. Vobora said that he felt that the information would be of value to LTD, UO, LCOG, and the UO student association.

Mr. Eyster commented that having objective data, professionally gathered and analyzed, was critical for good decision making.

Monthly Financial Report: Ms. Hellekson reviewed the financial data included in the Board packet. She shared that September was not a key month for most of the financial indicators. She attributed the decrease in fare revenue to the changes in public school student fares. On the cost side, fuel costs continued to increase. The University of Oregon State in Lieu of Tax Revenue is up 15 percent over last year. Ms. Hellekson described an upcoming procedural change. Instead of putting the financial information in the Board packet, she proposed e-mailing the information to the Board and interested parties the day before the regularly scheduled Board meeting. The information also would be posted to the website. The process change will enable Finance to provide more accurate and timely information.

Mr. Eyster expressed the Board's agreement with the process change suggested.

Other Items of Interest: Mr. Vobora alerted the Board to an agenda item next month, an update to the Accessible Services report. The update included data on the pilot to expand RideSource outside of the original boundaries.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(h): Mr. Kortge moved the Board meet in Executive Session pursuant to ORS 192.660(2)(h), to consult with council concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. Mr. Dubick seconded the motion.

VOTE The motion was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Board entered Executive Session at 8:02 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:15 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:15 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING/WORK SESSION/EXECUTIVE SESSION

Wednesday, November 16, 2011

Pursuant to notice given to *The Register-Guard* for publication on November 10, 2011, 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, November 16, 2011, 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
Gary Gillespie
Doris Towery
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Greg Evans, Vice President

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll 5:30 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: There were no remarks.

COMMENTS FROM THE GENERAL MANAGER: General Manager Ron Kilcoyne requested a moment of silence to remember Shawn Bird, an LTD employee who had recently passed away.

Mr. Kilcoyne announced that approval of minutes from past meetings would be current following approval of the November 16 consent calendar.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: There were no announcements or additions to the agenda.

BOARD CALENDARS: Mr. Kilcoyne reviewed activities on the Board calendars. He noted that the December 21 regular Board meeting would not be held, but a special meeting/work session will be held on Monday, December 12.

WORK SESSION

LTD Accessible Services Program Review: Accessible Services Manager Terry Parker provided a program overview by highlighting activities associated with LTD fixed-route and the RideSource Call Center. She introduced Accessible Services Coordinator Susan Hekimoglu and Human Services Transportation Specialist Rand Stamm; acknowledging and thanking them for their work. She reported that nearly 13,500 people are currently enrolled in LTD's EZ Access reduced and free fare programs

Ms. Parker said that the Not-for-Profit Agency Half-Fare program was instituted many years ago to serve people with low incomes who did not receive assistance getting transportation through a public agency. There are 49 non-profit agencies that currently buy fare media at half price and distribute to low-income clientele. LTD provides other services for older adults and people with disabilities through Alternative Work Concepts (AWC). Under contract with LTD this non-profit agency provides one-on-one training and ongoing support with Travel Training and Transit Hosts and by conducting in-home transportation assessments. Liz Fox and Scott Whetham of AWC were introduced and thanked for their efforts on behalf of people with disabilities.

Ms. Parker described the activities managed within the RideSource Call Center and commended Special Mobility Services' employees Kris Lyons and Glen Adams (who were present) for their work. She provided statistics related to the Call Center operations and pointed out that the call volume had increased from an initial level of 13,000 to 14,000 average calls per month in 2008 to 19,000 today. Annual one-way trips increased from approximately 100,000 in 2000 to a projected 190,000 trips to be provided in the current year.

Mr. Gillespie asked about the Call Center's hours of operation. Ms. Parker replied that the Call Center operates seven days a week. Ms. Lyons indicated that 700-800 calls were received on a typical week day.

Mr. Eyster asked if there were specific factors that contributed to the rise in demand for Call Center services and the amount of savings that may have been realized by establishing the Call Center to manage certain types of transportation services. Ms. Parker said that the Call Center would need to be in operation for a longer period of time in order to gather sufficient data to analyze potential cost savings over time. She said that demographics, such as an aging population, and extensive outreach to potential riders were factors affecting increased ridership. She did not feel that cuts to the fixed-route service accounted for increased demand as the fixed-route system still provides good overall coverage in the metro service area. She noted that the average cost per ADA trip (those trips paid for by LTD) had not increased significantly despite increases in the price of fuel, in part because some costs could be spread among a larger volume of overall trips. She said that the State, due to projected budget cuts, threatens to dismantle regional transportation brokerages like the RideSource Call Center, which would be unfortunate as brokerages were a better service model for consumers.

Ms. Parker noted that the Not-for-Profit Agency Program had been in existence for many years. The overall annual cap of \$80,000 was exceeded due to greater need and agency participation than anticipated. She asked the Board for guidance on whether to acknowledge the current level of participation or scale back. She also said that under the current policy, agencies were not allowed to buy passes and resell them but there had been a request from a large agency to sell rather than give away LTD passes.

Director of Service Planning, Accessibility, and Marketing Andy Vobora explained that about 10 percent of the agencies provided service to a majority of program participants; other agencies had small programs that made passes available to clients when needed. That was the reason for moving from an agency cap of \$300 per month per agency to an overall annual program cap. He said that LTD staff recommended that sales through agencies not be allowed. LTD provided the discount, and the passes should be given to agencies' clients, which is consistent with the program's original intent.

In response to a question from Mr. Gillespie, Mr. Vobora said that agencies would sell the passes at the same half-fare price that they purchased them for from LTD.

Ms. Towery asked if agencies paid for passes from revenue they received that was earmarked for clients' transportation needs, or if they engage in fundraising in order to provide that service. She made the distinction and voiced concern over whether agencies wanted to sell passes to increase revenue or to generate funds to meet more transportation needs. Mr. Vobora said that agencies obtained funds for passes from a variety of sources, including fundraising. It would be very difficult to control if agencies resold passes. Ms. Parker added that another goal of recent changes was to streamline program administration to keep costs as low as possible.

Mr. Dubick said that he preferred to keep the program's focus on the rider and enabling people to use transportation. He understood the financial difficulties nonprofits were facing, but LTD should not be expanding agencies' capacities beyond what their budgets allowed by authorizing the resale of passes.

Mr. Gillespie commented that LTD was doing its part by providing the discounted passes, and once the passes belonged to an agency it was the agency's responsibility to use them consistent with its own guidelines and regulations. He did not object if an agency increased the number of riders by earning funds to buy additional passes.

Mr. Vobora said that if agencies were allowed to resell passes, the issue of the annual cap would need to be addressed. Anyone in the community who became aware of the practice could go to a nonprofit agency and purchase a pass for half fare.

Mr. Necker agreed with Mr. Dubick's position. He asked if there was a difference between agencies that sold passes and ones that asked clients to pay for passes once they were working. Mr. Vobora responded that under that latter model, the agencies were consistent with the program's intent by meeting clients' immediate transportation needs; once the clients were working they paid back into the system. He said that staff had suggested that those clients be charged the appropriate fares as individuals rather than using the half-price cost.

Ms. Towery agreed with Mr. Vobora that clients should be provided with the passes as they were trying to achieve financial stability; however, once they were earning income, they should pay the appropriate fares.

Mr. Eyster determined that several Board members preferred that agencies not be allowed to resell program passes.

Ms. Parker said that staff would develop a proposal for the Board to consider at a future meeting.

She asked the Board for input on a request to change the RideSource Out-of-Area fee-for-service. She said that a pilot project allowed those who lived just outside the RideSource boundary to receive services for an additional fee. She said that participation had been limited but noted that the project had not been heavily promoted. She said that the additional \$4 fee was based on a five-minute ride outside of the boundary; the standard RideSource fare was \$3 per trip, making the cost of an out-of-area trip \$7 one-way. She said that the Board would need to consider whether the project should become part of the regular program in May 2012 or should

continue as a pilot project. She added that the Board also would need to consider the fare structure.

Mr. Dubick asked about project participation. Ms. Parker said usage was more sporadic than daily, and participation was limited to five or six people during the past 18 months, generating 466 one-way rides.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing public comment.

Fred Simmons, 312 S. 52nd Place, Springfield, former LTD employee, spoke to the Board regarding retiree health care plans. He said retirees' choices included a Providence plan, a Regence plan without Medicare Part D, and the classic Regence plan. He asked that retirees also be given the choice of an additional enhanced plan to allow them greater flexibility as individual participants in managing health care more effectively. He said that the expiration of the choice period was December 7.

Mr. Kortge asked if adding the enhanced plan to retirees' choices was the Board's decision. Mr. Simmons said it was an agency decision, and the question was whether the Board would allow the Human Resources department to expand the array of plan options.

Director of Human Resources and Risk Management Mary Adams explained that the collective bargaining agreement created a Joint Insurance Committee that had the authority to make decisions about the benefit plans. If there was a dispute, the appeals process was outside the agency and typically the Board did not get involved in decisions about the plans.

Mr. Kortge asked what aspect of benefits was collectively bargained. Ms. Adams said that the agreement specified that the District would provide Medicare supplement plans for retirees, but was not specific about the type of plan or benefit level. The District also provided a monthly stipend of \$125 to retirees towards the cost of the plans. She said that the District had to administer the program according to which retiree was enrolled in which plan and tried to provide a reasonable range of choices, not a large array of plans.

EMPLOYEES OF THE MONTH: The Board recognized Transit Operations Supervisor Jim Coffman and Bus Operator Melinda Raven for their efforts during an incident in which a child had a medical emergency.

Mr. Eyster thanked Mr. Coffman and Ms. Raven for their service and dedication to LTD's mission and presented certificates of appreciation and checks commemorating the awards. Recipients expressed their appreciation for the acknowledgement of their service and thanked the Board for their awards.

AUDIENCE PARTICIPATION CONTINUED...

Bob Macherione, 1994 Brewer, Eugene, Eugene business owner and member of Our Money, Our Transit, thanked Mr. Kilcoyne for being open and responsive to requests from the public. He appreciated the approval of Board minutes so that they would be available to the public on the LTD website. He said that he did not feel that questions regarding the true operating costs of EmX had been answered. He felt that they could be calculated by dividing the total budget by miles traveled. He said that a November report gave a cost of \$1 million to operate the Gateway

EmX line; however, the Long-Range Financial Plan included a far lower figure. He said that LTD should examine its culture and conclude that its primary goal is to provide service, and every dollar of revenue should be used for that purpose. He questioned the annual costs for advertising and suggested that those funds should be used to serve riders. He said that eliminating bus drivers would reduce service. He stated that the number of salaried employees had been reduced over the last several years, but salaries had increased.

Kim Davis, 4450 Blanton Heights Road, Eugene, RideSource program user, thanked the Board for expanding the program to allow out-of-area service. She said that decision had been instrumental in her son Jake's success in the community and his ability to obtain a job. She added that the RideSource service means everything to her family. She commended RideSource employees for their dedication and service. She asked the Board to reconsider the \$7 one-way fare, which amounted to \$280 per month for her son's transportation and placed a financial burden on their family.

Steve Davis, 4450 Blanton Heights Road, Eugene, RideSource program user, also thanked the Board for expanding the RideSource program, which had allowed his son to be independent. He hoped that the Board would consider lowering the out-of-area fee to make the service more affordable.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Dubick moved adoption of LTD Resolution No. 2011-026: It is hereby resolved that the Consent Calendar for November 16, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the January 13, 2011, Executive Search Committee Meeting; January 26, 2011, Executive Search Committee Meeting; April 11, 2011, Special Board Meeting; April 11, 2011, Executive Search Committee Meeting; June 13, 2011, Special Board Meeting/Work Session; June 15, 2011, Regular Board Meeting; August 8, 2011, Special Board Meeting/Luncheon; September 12, 2011, Special Board Meeting/Work Session; September 21, 2011, Regular Board Meeting; October 19, 2011, Regular Board Meeting; and LTD Board Budget Committee Nomination: Kay Metzger.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

Approval: RideSource Out-of-Area Service: Ms. Parker thanked the Davis family for speaking about the program during public testimony. She reminded the Board that staff had recommended against out-of-area service when the project was first proposed because of the difficulty of managing exceptions to service boundaries. She said that the pilot project scope was limited, and costs were based on a rational application to services. She felt that the project was helpful, and ridership could increase in the future. She said charging no fare for out-of-area service would essentially expand the RideSource boundary and suggested that the Board, if it addressed the out-of-area fee, consider retaining some fare for the service to avoid changing the geographic boundary.

Mr. Dubick asked about offering a monthly pass for the out-of-area service to lower the cost to daily users. Ms. Parker asked if the monthly pass would be limited to out-of-area service users or all RideSource participants. She said that a RideSource one-way trip cost the District about \$26, and traditionally incentives had not been used to encourage greater usage of the service.

Mr. Dubick said that his suggestion would apply only to out-of-area service users because the fee could be perceived as excessive, even though it cost the District much more to operate RideSource than it was allowed to recover through fares.

Ms. Towery said that the question was one of productivity versus quality of life. She said that the District provided a service that enhanced the quality of life for people in the community, as illustrated by the Davis family. She said that given the small scope of the project, she would prefer to see it continue as a pilot with a lower fare.

Mr. Kortge asked how the additional cost of \$4 for an out-of-area one-way trip was determined. Ms. Parker said it was determined to cover the cost of five minutes of travel outside of the RideSource area based on an hourly cost of \$52.

In response to a question from Mr. Necker, Mr. Davis said that a \$2 one-way fare for out-of-area service would be fair.

Mr. Gillespie observed that the highest fare was being charged to those with the least ability to pay. He liked Mr. Dubick's suggestion of a reduced rate. He encouraged more publicity for the program to increase ridership and better determine the demand for, and financial feasibility of, the service. He wanted to see a reduced fare and continuation of the service as a pilot project.

Ms. Towery was concerned with widely promoting the program as that could lead to an expansion of boundaries. She said that the District already incurred a significant loss to provide RideSource services.

Mr. Kortge supported reducing the fare and continuing the pilot project.

Mr. Kilcoyne said that RideSource was a very expensive program, and while the District provided information about the program, it was not heavily promoted. He said that the incremental cost for service outside the RideSource boundary was not subsidized, which was why it was high. Cutting the fare in half would result in subsidizing it by 50 percent.

MOTION Ms. Towery moved to extend the RideSource Out-of-Area Pilot Project for another six months and reduce the fee-for-service by half. Mr. Gillespie provided the second.

Mr. Necker offered a friendly amendment to prevent marketing of the project. Ms. Towery and Mr. Gillespie accepted the amendment.

VOTE The motion to extend the RideSource Out-of-Area Pilot Project for another six months and reduce the fee-for-service by half with no marketing of the project was approved as follows:

AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Evans (1)

Mr. Vobora announced that Ms. Parker had been recognized by the Oregon Transit Association as Transit Employee of the Year.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports:

Metropolitan Planning Organization Citizen Advisory Committee (MPOCAC): Mr. Gillespie reported that the MPOCAC would meet on November 17. The Committee had completed its review of the Regional Transportation Plan update with members expressing concern with missing data. There was some discussion about asking for an extension of the deadline for approving the plan until the data was provided. He said that his term on the Committee expires in December, and he had been temporarily renewed, but he needed to reapply. He said that some questions had been raised at the Metropolitan Policy Committee (MPC) meeting about his membership on both the Committee and the LTD Board.

Lane Area Commission on Transportation (LaneACT): Mr. Dubick said that the LaneACT discussed ConnectOregon legislation at its October meeting and the fact that less funding was available each year. He added that changes to access management under the Oregon Highway Plan also were discussed.

Mr. Eyster commented that the MPC had discussed MPOCAC membership and would appoint new members at its January 2012 meeting. He said adoption of the Regional Transportation Plan was extended until December 2011.

Safety and Security Subcommittee Formation: Mr. Kilcoyne said that there had been a suggestion at a National Transit Safety Board (NTSB) meeting that transit boards establish Safety and Security Committees around the concern that if there were problems with safety, the Board would ultimately be responsible. Mr. Kilcoyne had observed that LTD took safety very seriously and recommended that an internal task force be created to closely examine whether there are areas for improvement anywhere within the organization. He said that he had a discussion with Mr. Evans, who had conveyed the NTSB suggestion, and Mr. Evans concurred with the recommendation.

Ms. Towery emphasized that LTD had a strong culture of safety, and that the Board regularly reviewed safety reports from the organization. She was concerned with creating another committee when staff resources were already stretched due to cutbacks. She did support continuous learning and improvement processes but did not feel another committee was necessary.

Mr. Gillespie asked if forming a Board safety committee would offer greater protection against liability or insurance benefits. Mr. Kilcoyne said that a Board committee was not necessary for insurance or liability purposes.

Mr. Gillespie agreed with Ms. Towery that the current safety status was sufficient.

LTD Host Sustainability Conference: Mr. Kilcoyne stated that LTD had proposed hosting the American Public Transportation Association (APTA) Sustainability Conference in 2013 at the

earliest. He had not yet received a response from APTA. He said that staff had indicated that hosting the conference would not compromise LTD's core activities.

Mr. Eyster said hosting the sustainability conference would allow LTD to showcase its commitment to sustainability.

Denver Public-Private Partnership Project: Director of Finance and Information Technology Diane Hellekson said that the Denver project began three years ago and was structured in a specific way that pre-qualified teams and bundled project components such as design, engineering, construction, operations, and promotion. She said that the cost of the project was \$2 billion, and it would not be completed until 2016. She said the question was whether the concept would work for LTD, and she explained that the concept worked best when the project was very large and there was an income stream generated. She said examples of such projects were college dormitories, wastewater treatment plants, and large rail projects. She said that while this model would probably not work for LTD, other opportunities for alternative financing for capital projects and operations would continue to be explored. The Eugene and Springfield stations had been built with the intent to include retail activities, and it had been a struggle to retain viable businesses in those spaces.

Televising Board Meetings: Mr. Eyster commented that it would be to the Board's advantage to increase public access to meetings if it was financially feasible to do so by televising the meetings.

Mr. Vobora said that there was no statutory requirement to broadcast or televise meetings. He reviewed the practices of other transit districts and public agencies, which ranged from no broadcasting to use of public radio or community access television.

Information Technology Manager Steve Parrott outlined the options and costs for delivering Board meeting information as described in the agenda materials.

Ms. Towery observed that the Lane Council of Governments and other agencies may be unable to continue to provide taped or televised meetings in the future if significant budget cuts occurred. Those services may no longer be affordable.

Mr. Dubick asked if audio streaming would be less expensive. Mr. Parrott said that it would depend on how the audio stream was delivered. He said that it would not be as expensive as video, but there would be costs for infrastructure, software, and staff time.

Mr. Gillespie asked if either Lane Community College or the University of Oregon had video programs that could provide interns. Mr. Vobora said that there still would be costs associated with the hardware, software, and delivery of video.

Mr. Kortge asked what the purpose of televising meetings would be.

Mr. Eyster said that the Board did an excellent job of serving the District, and he would like to see the public have greater access to meetings in order to better understand and appreciate that.

Mr. Kortge said that meetings were open and accessible and he saw no need to televise them, particularly since many other transit bodies did not broadcast their meetings.

Ms. Towery agreed with Mr. Eyster that it would be good to elevate the visibility of the Board's functions, but she could not see a justification for the additional costs. She said that televising meetings was likely to decrease in the future because it was cost prohibitive, and public entities would need to look at what services were essential to provide as budgets became more constrained.

Mr. Gillespie said that he liked the concept of additional avenues of accessibility, but was not certain that the costs were justified. He felt that accessibility could be increased by holding meetings at different times and locations so that more people could attend and comment to the Board.

Ms. Towery pointed out that televising meetings would not allow additional opportunities for public comment.

Mr. Necker agreed that the cost of televising meetings was prohibitive, and every dollar spent was a dollar less available to provide service.

Mr. Dubick said that he was not certain that the cost of televising was worth the benefit.

BRT Map for Regional Transportation Plan: Director of Planning and Development Tom Schwetz said that the MPC would adopt the Regional Transportation Plan, which was updated every four years, at its December 8, 2011, meeting. He distributed the *2035 Regional Transportation Plan Bus Rapid Transit System Map*, to which some items had been added during the update process. Both Eugene and Springfield are currently updating their transportation system plans, and the role of transit was a part of those discussions. That was likely to produce additional refinements to the map as the concept was refined relative to the land use and development strategies of the two cities. He highlighted some of the map modifications, including a request from the City of Springfield to include a line down Bob Straub Parkway that would connect with the Jasper-Natron development area, and the City of Eugene's exploration of options for Willamette Street from 18th to 29th avenues.

Mr. Eyster asked if the plan discussions included the subject of continuation of EmX as part of a regional transportation strategy. Mr. Schwetz said that both Eugene and Springfield regarded bus rapid transit as something that could drive their land use patterns and facilitate development.

Monthly Financial Report: Ms. Hellekson reviewed the financial report and said that passenger fare receipts continued to be lower due to loss of the student pass program, but there had been an increase in group pass revenue because some schools had opted to purchase passes for students. She said that there also had been an increase in the sales of single and three-month youth passes. More significant was the increase in payroll tax receipts, which would be followed by a tax rate increase in January 2012. She expected to achieve budget expectations for the District's most important resource. She said that fuel costs had continued to rise in small increments, but those expenses were below what was budgeted.

MOTION **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d):** Mr. Gillespie moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Dubick provided the second.

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NOVEMBER 16, 2011

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VOTE

The motion was approved as follows:

AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Evans (1)

The Board entered Executive Session at 7:52 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:26 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:26 p.m.

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/EXECUTIVE SESSION

Monday, December 12, 2011

Pursuant to notice given to *The Register-Guard* for publication on December 8, 2011, 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 and executive session on Monday, December 12, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll at 5:30 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster noted that approval of Board minutes was current and commended staff for their efforts.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne announced that November ridership was up 6.5 percent over the previous year and one million boardings had been exceeded in the month of November for the first time in the District's history. He said that the Leadership Council held its annual retreat on December 6, and many topics were covered. Topics included planning for an initiative to determine the appropriate level of service for the District and what that would mean to the community, determining how LTD could be more responsive and adaptive to future changes, and examining the Long-Range Financial Plan.

Mr. Kilcoyne said that he had asked public transit consultant Jarrett Walker to provide an independent, unbiased assessment of EmX. He said that Mr. Walker would visit Eugene during the week and would meet with LTD staff and interested community members.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Mr. Eyster introduced and welcomed Carl Faddis, the new executive board member representing the Amalgamated Transit Union.

BOARD CALENDARS: Mr. Kilcoyne reviewed activities on the Board calendars for the upcoming months. He noted that he would be gone for three weeks in order to permanently relocate to Eugene. He said that the Leadership Council would continue its annual retreat in January 2012, and the Board strategic planning session would be shifted to a date in February or early March.

WORK SESSION

Audit Report for Fiscal Year Ending June 30, 2011: Director of Finance and Information Technology Diane Hellekson provided an overview of the annual financial audit, which consisted of an audit report, audited statements, management letter, and single audit. She introduced independent auditor Charles Swank of Grove, Mueller & Swank, P.C. to discuss the audit. She thanked Board members for their thorough review of the documents.

Mr. Swank said that the single audit report was required by the federal government whenever an entity spent more than \$500,000 in federal funds. He said that there were no unusual findings or questioned costs. He said that the audit process was very smooth, and he commended LTD's Finance staff for their work. He encouraged the Board to review the management letter, which was helpful when reviewing the audit document. He highlighted aspects of the audit process and said that a major focus was the integrity of LTD's financial systems. He said that there were no significant or material deficiencies in the internal controls, and only three recommendations for improvements were made; all three points had already been addressed by management, and the Board had been provided with that information. He was pleased to note that the quality of the District's financial management had not been affected as LTD faced the challenge of decreasing funds.

Comprehensive Annual Financial Report (CAFR): Ms. Hellekson provided an overview of the CAFR, noting that the District was in a different financial environment than it was last year. She said that payroll tax receipts were up 3.6 percent for fiscal year ending June 30, 2011, and that ridership had increased as well. Operating expenses were tightly controlled as a result of several cost saving strategies that were implemented during the past fiscal year.

Mr. Kortge stated that he appreciated the historical statistical information contained in the CAFR and its usefulness when planning for the future. He drew the Board's attention to the unfunded pension liability and retiree Medicare benefits on pages 41 and 42.

EmX Next Steps and West Eugene EmX Extension Update: Senior Project Manager John Evans reported that the Environmental Assessment (EA) was currently under review by the Federal Transit Administration (FTA). He expected that it would be completed and a final document issued in January 2012. Open houses and public outreach activities would be initiated to familiarize the public with the EA. He said that comments received during the public outreach period would be incorporated and addressed in an FTA document titled *Findings of No Significant Impact* (FONSI), including any required mitigation.

In response to a question from Mr. Kortge, Mr. John Evans said that the scope of the EA was quite broad and included socioeconomic aspects of the project, cost, transit ridership, wetlands, land use, population, potential property acquisition, traffic, and other factors. He said that factors relevant to the project's EA were identified during the scoping process.

Mr. Kortge referred to an e-mail from an individual concerned about several aspects of the project and asked if that would be addressed in the environmental report. Mr. John Evans replied that the e-mail did not specifically address the EA, and the sender was welcome to provide those comments within that context. He said that the concerns were primarily opinions and could be submitted during the EA public outreach period.

Mr. Eyster affirmed that the e-mail communication expressed third-party opinions that in some cases were inconsistent with the actual project activities, such as outreach to businesses.

Project Communications Coordinator Lisa VanWinkle described the outreach to business owners along the proposed EmX corridor and emphasized to the Board that the approach is to address what the project, if approved and built, would look like to businesses along the corridor. She said that some portions of the route had changed during the Alternative Analysis mitigation process, and efforts were being made to ensure that stakeholders were aware of those changes. Information was being collected from businesses regarding any outstanding concerns that could be considered during the preliminary design phase.

Mr. Greg Evans asked if the concerns of social service providers had been addressed during the project assessment phase. Mr. John Evans replied that discussions with service providers along the corridor had continued, and an initial opposition to the project from one provider did not appear to be an issue any longer. He said that providers were generally supportive of the project.

Ms. Towery commented that she and LTD staff had conducted extensive meetings with providers along the corridor, and she agreed that social service agencies and their clients seemed very supportive of the EmX project.

Mr. John Evans reiterated that outreach and relationship building with stakeholders along the corridor would continue as the project moved forward. He said that staff were working with a real estate expert to determine the specific valuation impacts on properties along the corridor, which would help identify further mitigation strategies. He said that the intent was to comply with FTA's expectation that the impacts be determined by an independent expert.

Mr. Greg Evans asked if the valuation would be used by LTD in the event that some financial compensation of a property owner was considered. Mr. John Evans said the valuation would provide an overview of property impact through a cursory appraisal; but if the project was funded, there would be formal appraisals as it moved forward. Director of Planning and Development Tom Schwetz added that the purpose of the valuation was to provide a sense of the business impacts as part of the EA process.

Mr. Schwetz reported that real-time passenger information displays had been installed at some EmX stations, particularly in the Gateway area. He expected the system would be live in February 2012. He added that EmX was part of a bus rapid transit national research project examining real-time passenger information and its effect on ridership.

Mr. Schwetz said that a third RiverBend station, as envisioned in the master plan, would be constructed in the near future to address transit demand. He said that the station would be funded from the remainder of the Gateway EmX project budget. He said that another research project to provide more consistent docking would be conducted between the Walnut and Dads' Gate stations.

Continuing, Mr. Schwetz said that LTD had received a grant from FTA to complete an Alternatives Analysis (AA) on the next proposed EmX extension along Main Street and McVay Highway to connect the Thurston Station and Lane Community College. He said that he expected the process to identify locally preferred routes. The AA would commence in March 2012 and take approximately 18 months. He said that experience gained in the West Eugene EmX Extension

(WEEE) project demonstrated that a joint AA/National Environmental Policy Act (NEPA) process was not the best path. This time the project would begin with an AA, which would provide a better perspective on how the EA would be conducted. He said that the next Let's Talk Transit event was scheduled for February 16, 2012, with a focus on walkable urbanism.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing public comment.

Bob Macherione, 1994 Brewer, Eugene business owner and member of Our Money, Our Transit (OMOT), appreciated the historical data presented in the CAFR. He claimed that LTD violated some aspects of the WEEE NEPA process. He thanked Mr. Kilcoyne for inviting him to meet with the national transit expert Jarrett Walker but complained that he had not received notice of the meeting in a timely manner. He also did not believe that the District had talked to all businesses along the WEEE corridor before submitting information to the FTA. He voiced concerns that his interpretation of the data contained in various LTD documents was not being heard. He said that OMOT had hired its own independent transit engineer to collect WEEE data; and when that data was compiled, OMOT would submit it to the FTA.

Mr. Schwetz explained the West Eugene EmX environmental process, which began with a formal filing of the Notice of Intent in September 2007. Initially there were 58 alternatives under consideration. Reducing those to a manageable number and proceeding with the assessment was conducted at the direction, and with the consent of, the FTA.

Mr. Kilcoyne added that the details of a meeting with national transit expert Jarrett Walker were not finalized until earlier that day.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Dubick moved adoption of LTD Resolution No. 2011-028: It is hereby resolved that the Consent Calendar for December 12, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the November 16, 2011, Regular Board Meeting.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Acceptance of Audit Report for Fiscal Year Ending June 30, 2011: Ms. Hellekson said that before submitting the audit report to state and federal granting agencies, the Board should formally accept the audit report. Acceptance of the report acknowledges that it was received in a timely manner and was adequate to meet the purpose.

MOTION Mr. Kortge moved adoption of LTD Resolution No. 2011-029: Resolved, that the LTD Board of Directors received the Independent Audit for Fiscal Year 2010-11, and accepts the Independent Audit Report for the fiscal year ending June 30, 2011. Mr. Evans provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports

Metropolitan Planning Organization Citizen Advisory Committee (MPOCAC): Mr. Gillespie reported that the next meeting is scheduled for December 15. He thanked those who were present at the recent Metropolitan Policy Committee (MPC) meeting for clarifying remarks regarding the MPOCAC recruitment and appointment process.

Mr. Eyster said that there had been discussion of the MPOCAC recruitment at the recent MPC meeting, and the deadline for applications is sometime in January 2012. The MPC also took action on the Regional Transportation Plan.

EmX Steering Committee: Mr. Greg Evans reported that there was an update on the WEEE project, and the Committee received a preview of the Main Street/McVay Highway extension. He announced that Dan Egan, a longtime member of the committee, had resigned and that his service to the committee was greatly appreciated.

Lance Council of Governments (LCOG) Board of Directors: Mr. Dubick said that the LCOG Board reviewed budget cuts to the senior meals program because of a reduction in state funds. He said that the Board also discussed input to the executive search firm that would be conducting a recruitment to replace current LCOG Executive Director George Kloepfel when he retires. He said that the Board also decided not to raise dues for member agencies and even proposed lowering dues for Lane County because of the County's financial situation.

American Public Transportation Association (APTA) Board of Directors Executive Committee: Mr. Greg Evans reported that the proposal for a political action committee had been defeated because of concerns regarding using public funds for political purposes.

LTD Subdistrict Review Update: Director of Human Resources and Risk Management Mary Adams stated that the Oregon Secretary of State's office had not yet begun boundary reviews of several public entities that were triggered by the 2010 Census. She did not expect to see a draft document before February or March 2012. She would continue to monitor the process and report to the Board.

Mr. Greg Evans asked if staff had determined what process had been used in previous boundary reviews. Ms. Adams replied that most of the people involved were no longer available, nor was there documentation available for her to research. She anticipated that the database would be provided by LCOG. She would try to make sure that the Board received any draft proposals in sufficient time to provide input.

Mr. Gillespie asked if the boundary review would affect LTD's jurisdiction. Ms. Adams said that the review would not affect the District's external boundaries; it would only address the division of subdistricts within its boundaries.

Monthly Financial Report—November 2011: Ms. Hellekson noted that the November financial report had been provided separately to the Board. She noted that there had been a 3.6 percent increase in payroll tax receipts during the last fiscal year; an increase of 3.5 percent was budgeted in the current year, and the increase was currently at 3.8 percent. She said that the average fuel price per gallon had remained steady at \$3.22 for the past two months and was currently at \$2.92. She expected the fuel cost would be maintained under the \$3.75 per gallon that had been budgeted.

Mr. Gillespie asked if there had been progress on restoring funds for the student bus pass program. Ms. Hellekson said that several schools, both public and private, were purchasing student passes, but the District was still seeing a significant decrease in revenues for fares because of the loss of the student transit pass program. She said that the decrease had been partially offset by the growth in group pass and student one- and three-month pass sales. She said more details would be provided at the Board's January 2012 meeting.

Ms. Adams added that student passes had been explicitly excluded from funding through the Business Energy Tax Credit program, and there was no momentum for identifying another funding source.

Other Business: Mr. Eyster invited ATU representative Carl Faddis to address the Board.

Mr. Faddis described his employment history with LTD and expressed his gratitude for the organization and his fellow employees. He urged the Board to get to know union members and vowed to act as a liaison between the Board and union members to facilitate communication. He appreciated the difficult choices with which the Board had been faced in the past and looked forward to working with Board members to introduce them to ATU members.

Mr. Kortge thanked Mr. Faddis for talking to the Board and extending an invitation to a dialogue with the union.

Ms. Towery commended LTD bus operators for their service to the District and the community.

Mr. Eyster thanked Mr. Faddis for his remarks and looked forward to working together.

RECESS: Mr. Eyster called a recess at 7:02 p.m.

RECONVENE: Mr. Eyster reconvened the meeting at 7:18 p.m.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(i): Mr. Evans moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(i), to review and evaluate the employment-related performance of the LTD general manager. Mr. Kortge provided the second.

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DECEMBER 12, 2011

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VOTE

The motion was approved as follows:

AYES: Dubick, Evans, Eyster, Gillespie, Kortge, Necker, Towery (7)

NAYS: None

ABSTENTIONS: None

EXCUSED: None

The Board entered Executive Session at 7:19 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to open session at 8:21 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:21 p.m.

LANE TRANSIT DISTRICT

ATTEST

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, December 21, 2011

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, December 21, 2011, at 5:30 p.m., was canceled due to a lack of agenda items requiring action.

LANE TRANSIT DISTRICT

ATTEST: