

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

Wednesday, February 17, 2010

Pursuant to notice given to *The Register-Guard* for publication on February 11, 2010, 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 17, 2010, 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
Michael Dubick
Doris Towery
Gary Gillespie
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Dean Kortge, Secretary

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called the roll at 5:34 p.m. With the exception of Mr. Evans and Mr. Kortge, all Board members were present.

Mr. Evans arrived at 5:37 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster mentioned that the LTD staff presentations to the governing bodies of Eugene, Springfield, and Lane County regarding LTD's anticipated service reductions. Mr. Pangborn added that Lane County Commissioner Pete Sorenson encouraged the Board to find another funding source for transit.

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

BOARD CALENDARS: Mr. Pangborn reviewed the Board calendars.

WORK SESSION

Public Comment from February 11 Hearing on Proposed Service Changes: Director of Service Planning, Accessibility, and Marketing Andy Vobora reviewed the routes proposed to be deleted, adjusted, and added for the summer bid.

Referring to the elimination of the Route 60, Mr. Gillespie reported on a constituent who expressed concern that deletion of the route would lead to increased RideSource use at a higher

cost. Mr. Vobora acknowledged that those at the periphery of the route were some distance from service. He said that the route was a commuter service with limited morning and afternoon trips, and staff did not observe many seniors or people with disabilities currently on the route. Mr. Vobora acknowledged that it was possible that eliminating the service would qualify someone for RideSource. He added that Eugene City Councilor Betty Taylor had raised the issue that it could be perceived that LTD is trading fixed-route costs for paratransit costs. While LTD did not want to do that, it is difficult to analyze the actual effect of the reduction. He said that staff would track the ridership to get an idea of the number of people that may qualify for RideSource, and would then evaluate the value of reinstating Route 60 service.

Responding to a question from Mr. Eyster, Mr. Vobora acknowledged that there were no changes to the summer bid package as a result of public comment.

Mr. Evans discussed the recent Board Service Committee meeting and the concerns expressed by Committee members regarding the impact of reductions on residents who needed the bus to reach their jobs and daily appointments. He believed that staff had done a thorough job of modifying the system to have the least amount of damage to service. Mr. Evans suggested that LTD needed to further educate riders to become accustomed to doing things that they were not currently accustomed to doing in order to get used to the changes in the system.

Ms. Towery, also a member of the Board Service Committee, said that her concern was based on the District's core value of providing service. She believed that if LTD placed a demographic overlay on some of the route reductions proposed, concentrations of higher poverty and lower income levels in affected areas would be found. She was concerned that LTD had not heard from the people living near certain areas, such as the Fairview area and the Q Street area in Springfield, who were not used to offering public testimony but would be impacted by service reductions. Residents such as these could not afford to simply call a taxi. Ms. Towery suggested that in some cases the cuts could be a tipping point for low-income families that could cause them to fail.

Ms. Towery acknowledged the need for a balanced budget; but she wondered if at some point the District would need to reconsider its approach because the reductions contemplated were too deep. She suggested that the Board have some creative conversations with its community partners and request their assistance in keeping the service intact. She reported that the Board Service Committee had asked staff for demographic information that could be overlaid on LTD route maps. This information could help the Board determine if the impact to one area from a proposed reduction was more damaging than the impact of a reduction in another area.

Mr. Evans said that the Service Committee discussed proposing that the Board reconsider the reductions from a values standpoint. He wanted to know how much adverse impact the reductions would have on transit-dependent citizens. He also advocated that LTD begin to think about how to make the transition to a public utility. Mr. Evans cited the work of William Julius Wilson, who believed that public transit was a key linkage to mobility access and that reductions in public transit increased poverty levels at an exponential rate. He said that many transit-dependent residents were the working poor and needed the bus to reach their jobs because they could not afford taxis. Mr. Evans suggested that, to be more strategic, the Board incorporate even more of the human factor into its deliberations. He believed that the impact of the reductions on the working poor would have a negative impact on the employers who paid the payroll tax that supported LTD.

Mr. Necker had suggested to Service Committee members that the District could not concentrate totally on the transit dependent because it was important to attract choice riders and to keep cars off the road. However, he agreed with Ms. Towery and Mr. Evans about the importance of serving the transit dependent. He was not sure how LTD would manage if it moved away from a productivity approach as it was easy to quantify productivity but more difficult to measure the human factor.

Mr. Gillespie agreed about the importance of considering the demographics of residents who would be impacted by the reductions. He recalled hearing about the high percentage of Springfield students on free and reduced lunches and the fact that a small percentage of Springfield high school students move straight on to the University of Oregon. He implied that when bus service went away, former riders would not take taxis but would instead drive old cars without insurance or licenses. He suggested that if an additional percent was taken from a more productive route, it would be easier for the users of that route to adjust than it would be for the users of a route that was entirely eliminated.

Mr. Vobora said that staff would return to the Board in March to discuss the productivity coverage standard.

Mr. Vobora mentioned the District's tentative proposal to restore service to the Q Street area of Springfield. He stated that the proposal would require the Board to lower the service reduction goal to 18.5 percent. Then staff would need to find the additional savings in other operations, use more reserves, or bring forward a reduction from the Tier II list of reductions anticipated for 2012. Speaking to the concept that riders of higher productivity routes such as Thurston could adjust, Mr. Vobora pointed out that the Thurston route currently used 60-foot buses, ran every ten minutes, was always full, and people were already being left behind. He questioned what the effect would be on low-income and senior residents living along that corridor if the route frequency were reduced.

Mr. Necker did not want to consent to a lower percentage reduction than was originally agreed upon if it put LTD at risk of having to do an extreme system redesign one or two years in the future. He stated that, as a wheelchair dependent transit user, he chooses to take an earlier bus than the one he needs just in case the wheelchair bays on the bus are already full. This has ensured that he arrives at appointments on time. While he believed that LTD would receive criticism, he also believed that other users could make adjustments also. Mr. Necker maintained that the human factor needed to be considered, and he agreed with Mr. Gillespie that users of high productivity routes could adjust to losing a bus route easier than residents of low-income areas.

Mr. Dubick commended Planning staff for their willingness to make adjustments to fill gaps in service. He did not believe that the District should be thinking in a "service/no service" mode but should look to more complicated approaches. He thought that the District needed to be flexible in the adjustments it made and the options it offered to the public.

As a member of the Finance Committee, Mr. Dubick said that there was a certain point beyond which LTD could not go because it simply did not have the money. He pointed out that no Board member wanted to reduce services; however, there was a bottom line for the long-term health of the organization that the Board members needed to keep in mind. He believed that the Board needed to find another way to address the District's problems, other than planning to spend money it did not have.

Service Planning Manager Will Mueller added that Planning staff had met earlier that day to discuss how to realize an additional .7 percent in reductions, and they had struggled to come up with even .4 percent. He referred to some of the reductions contemplated in Tier II as a means of conveying the difficulty of realizing additional savings.

Mr. Vobora said that Mr. Mueller's remarks spoke to a concern that he had about a broader discussion regarding the allocation of service. Mr. Vobora did not anticipate anything that would save LTD from the 2010 changes, and he suggested that communicating with the public about route reductions while the Board was in the midst of a large discussion about service allocations would be challenging. If the Board was proposing to shift productivity for coverage, staff would need to know that sooner rather than later so that the message could be communicated to the public. He said that even if that shift was made, people would still be affected by reductions.

Mr. Evans noted that elimination of all weekend service did not even bring the District to the percentage target that the Board had been discussing. He believed that the reductions being contemplated represented a draconian redesign with tremendous ramifications. On a positive note, Mr. Evans considered Point2point Solutions as part of a strategy that the District could use to augment fixed-route service reductions. He pointed out that some communities had developed their own van services when they were cut off from transit services, and he suggested that using Point2point Solutions might be a strategy that LTD could consider. That service could be aligned with the fixed-route system. Mr. Vobora said that while LTD did not have anything quite like that in place, it certainly could be considered.

Ms. Towery acknowledged that there were no easy tradeoffs, but she emphasized that a demographic data overlay could affect some of the Board's decisions.

Mr. Vobora noted that LTD was obligated to consider demographic issues through its Title VI analysis; although that was a broader community examination rather than a neighborhood-by-neighborhood examination.

Mr. Pangborn asked about the possibility of eliminating LTD's holiday service. Mr. Vobora indicated that he would ask Mr. Mueller to analyze the suggestion. He noted that the University of Oregon operated on some holidays, which would complicate the issue.

Mr. Gillespie, Mr. Eyster, and Mr. Necker said that they found the suggestion of eliminating holiday service interesting. Mr. Necker asked that the amount of savings be quantified by staff.

Mr. Pangborn believed that LTD would face another 20 percent reduction in FY 2012-13. He said that Salem transit deleted Saturday service when it recently had its financial crisis and then realized that it would have to do a route redesign. Salem went toward a productivity model almost exclusively and is now a commuter service that stops running at 8:30 p.m. on week days.

Mr. Evans asked what the system would look like if a provider wanted to provide premium service at a premium rate on some LTD routes. He added that LTD could retain basic service for the transit-dependent and subcontract a premium service for choice riders. Mr. Pangborn said that typically all service was subcontracted, such as in Las Vegas, Nevada, and Salem. The decision to contract out dial-a-ride service was made many years before; however, it was considered the least desirable service from the point of view of the drivers. LTD was able to subcontract that out, but Mr. Pangborn did not believe that would be the case now as the union was very protective of

the services being provided. LTD had contemplated subcontracting a Coburg route to a private provider; however, the union succeeded through arbitration in claiming that work as union work.

Mr. Gillespie questioned what the transition looked like to the rider when moving from one system to another. He did approve of Mr. Evans' suggestion about using Point2point Solutions. He mentioned a service that consisted of a 15-passenger van with a bicycle rack that picked up people at the River Road Park & Ride and took them to Junction City.

Mr. Gillespie acknowledged Mr. Dubick's remarks about the budget and commended staff on the process they were following. He recommended that the District give people information about what their options were based on the changes that had been made. For example, he thought that staff had done a thorough job of addressing the concerns expressed by people who did not want to see the Breeze eliminated by providing them with information about what their options were. Mr. Eyster concurred.

Legislative Update: Mr. Eyster postponed item to a later point in the agenda.

EMPLOYEE OF THE MONTH: Financial Services Director Todd Lipkin recognized Payroll Technician Jeff Hoss as LTD's March Employee of the Month (EOM), noting that it was Jeff's second time to be recognized as an EOM. He said that Mr. Hoss was dedicated to providing LTD employees with excellent service and worked with them when they had a problem. Mr. Lipkin said that Mr. Hoss made his job easier on a daily basis.

Mr. Hoss said that he came to work every day with three goals: 1) to do the best work possible, 2) to do it with enthusiasm; and 3) to encourage others while in the course of doing his job. He said that it was a privilege and an honor to work for an organization such as LTD, with its many employees who strive for excellence in everything they do. He loves what he does and is thankful to be able to do it.

Mr. Eyster thanked Mr. Hoss, presented him with a check, a pin, and a letter recognizing the accomplishment.

WORK SESSION (Continued)

Legislative Update: Due to the retirement of Assistant General Manager Stefano Viggiano, Mr. Pangborn reported that Director of Human Resources and Risk Management Mary Adams would now be responsible for local and state governmental relations, while Mr. Vobora will be addressing governmental relations at the federal level. Mr. Pangborn then introduced Doug Barber of Lobby Oregon who was now LTD's representative at the State legislature.

Mr. Barber provided an overview of the special 2010 Legislative Session as it related to transit issues.

Mr. Barber reported that the Legislature would refer a constitutional amendment to the November 2010 ballot calling for annual legislative sessions.

Mr. Evans wanted to know if the Legislature had discussed climate change legislation that might include more funding for transit services. Mr. Barber indicated that he had heard no discussion of the subject during the current legislative session.

Mr. Evans believed that LTD had a stake in that discussion and should track any initiatives. Mr. Eyster agreed, and then he suggested that LTD might want to initiate a proposal. Mr. Barber said that he would follow up on the status of current discussions.

AUDIENCE PARTICIPATION: There was no one present who wished to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Dubick moved adoption of LTD Resolution 2010-005: It is hereby resolved that the Consent Calendar for February 17, 2010, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the January 11, 2010, Special Board Meeting/Work Session.

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

Public Hearing and Approval – Federal Grant Applications: Mr. Lipkin presented the grant application and reviewed the projects to be funded:

- Surface Transportation Funds—Secured: Point2point Solutions Rideshare activities, hybrid electric articulated bus (\$1,341,809)
- 5307 Urbanized Area Formula Funds—Secured: Fleet Facility Renovation, Franklin EmX intersection resurfacing, vanpool capital cost of contracting, miscellaneous equipment, signal and communications (\$1,346,167)
- 5309 Bus and Bus Facilities Funds—Secured: Accessible Services vehicles, passenger information – Franklin EmX, passenger boarding improvements, hybrid electric articulated bus (\$1,806,143)
- 5317 New Freedom Funds—Secured: Mobility management (\$146,944)
- Livability Bus Program—Unsecured: Gateway Park & Ride, replacement buses (\$10,075,360)

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

MOTION Mr. Evans moved adoption of LTD Resolution 2010-006: It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed above, which total \$14,716,423 in federal funds and authorizes the general manager to submit these applications to the Federal Transit Administration for approval. Mr. Dubick provided the second.

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

ABSTENTIONS: None
 EXCUSED: Kortge (1)

2010 Annual Route Review – Summer Bid Package Approval: Mr. Vobora reported that 6.75 percent would be the total service reduction if the bid package were adopted by the Board.

MOTION Mr. Evans moved adoption of LTD Resolution 2010-007: Be it resolved that the LTD Board of Directors hereby adopts the 2010 Summer Bid Service Reduction Package as presented. Mr. Dubick provided the second.

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

ITEMS FOR ACTION AT THIS MEETING

Human Resources Committee Recommendation – Approve General Manager Goals and Objectives: Mr. Pangborn called attention to the goals listed in the packet. He suggested that Goal No. 4 be augmented to indicate that the District would seek additional funding for transit services as well. He noted that Eugene Mayor Kitty Piercy and Lane County Board of Commissioner's Chair Pete Sorenson had urged LTD to seek additional funding sources. Mr. Pangborn anticipated that such a source would be a state or local source, and further anticipated that staff would return to the Board in the fall, or sooner, with a recommendation in that regard.

Mr. Eyster asked Mr. Pangborn to consider what role the Board could play in that discussion. Mr. Pangborn said that the Board was a very diverse group that represented many different parts of the community, and he was hopeful that each Board member could play a role representing his/her constituents as well as the entire community. Mr. Necker offered that there would be many opportunities for Board members to testify before the legislature.

Mr. Eyster suggested that LTD was at the core of environmental preservation and sustainability in the community and also played a role in getting people to work. He believed that if the State was giving incentives to groups in order to cut down on greenhouse gases and drive economic development, LTD would be a part of that.

Mr. Evans referred to Goal No. 7 and asked that the goal be amended to indicate that LTD would continue to provide opportunities for women- and minority-owned businesses. He believed it would help the community's economic development profile as well. Mr. Pangborn replied that those elements were part of the goal, and he would ensure that they were included. He recognized Purchasing Manager Jeanette Bailor as critical to that effort.

MOTION Ms. Towery moved adoption of LTD Resolution 2010-08: It is hereby resolved that the LTD Board of Directors approve the General Manager 2010 Goals and Objectives as recommend by the LTD Board of Directors Human Resources Committee and as amended by the Board. Mr. Dubick provided the second.

VOTE

The motion was approved as follows:

AYES: Dubick, Eyster, Necker, Evans, Towery, Gillespie (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Kortge (1)

PUBLIC HEARING – REVISED CAPITAL IMPROVEMENT PROGRAM (CIP): Mr. Lipkin provided the presentation, referring the Board to the CIP information found in the packet. He asked the Board to hold a public hearing and anticipated Board action on March 4.

Mr. Eyster opened the public hearing. There being no requests to speak, he closed the public hearing.

Responding to a question from Mr. Necker, Mr. Lipkin said that the federal formula funds were a certainty.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Regarding the West Eugene EmX Extension (WEEE) Corridor Committee meeting on February 3, Mr. Evans reported that there continued to be community concern that the District had already decided on the location of the WEEE route. Mr. Evans said that he had explained to one meeting attendee that nothing was removed from consideration yet. He believed that the Committee was making progress toward selection of a locally preferred alternative. Mr. Schwetz relayed that in January, the Board had appointed three new members to the EmX Steering Committee. One of the new members was Josh Skov, who also was chair of the Eugene Sustainability Committee. Mr. Skov had attended the recent West Eugene EmX Extension Corridor Committee meeting and provided technical information about greenhouse gases and air quality that was useful to the Committee.

Mr. Eyster said that the Metropolitan Policy Committee passed the Surface Transportation Program-Urban recommendations for transit funding. Mr. Schwetz said that the application will be included as part of the Metropolitan Transportation Improvement Program amendment, which would happen in April.

Ms. Towery asked that Mr. Pangborn try to reschedule the joint meeting with the Lane County Board of County Commissioners and the LTD Board. Ms. Towery stated that it was vital that LTD continue to forge partnerships among all public entities whose services are critical to the quality of life in this community.

American Recovery and Reinvestment Act Reporting: Mr. Lipkin reviewed the reporting requirements for the American Recovery and Reinvestment Act.

Monthly Financial Report: Director of Finance and Information Technology Diane Hellekson reviewed the January financial statements, reporting that payroll tax receipts had improved somewhat. LTD's payroll tax receipt status reflected the current information provided at the recent Economic Forum. It was reported at the forum that the recession was over; however, it was forecasted that Oregon's recovery would be slow. She reported that ridership in January increased by 1.1 percent, and there was a recovery in fares collected. Starting in February, LTD would begin drawing down the fuel reserves in Coos Bay to keep fuel costs down.

Mr. Gillespie left the meeting at 7:27 p.m.


MOTION EXECUTIVE SESSION: Ms. Towery 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 (5)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge, Gillespie (2)

The Board entered executive (non-public) session at 7:28 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:30 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:30 p.m.



Board Secretary

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