

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

Wednesday, January 20, 2010

Pursuant to notice given to *The Register-Guard* for publication on January 14, 2010, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a work session with the Board of Directors of Salem Area Mass Transit District, followed by a regular Board meeting on Wednesday, January 20, 2010, beginning at 5:30 p.m., 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
Gary Gillespie
Doris Towery
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Wade Hicks, Minutes Recorder

Absent: Michael Dubick

CALL TO ORDER: Mr. Eyster called the meeting to order at 5:32 p.m.

Mr. Eyster welcomed the Board from the Salem Area Mass Transit District (SAMTD).

ROLL CALL: Mr. Eyster called the roll for the Lane Transit District Board. He then asked the SAMTD Board members and staff present to introduce themselves:

Shelley Hanson, SAMTD Board President
Katie Tarter, SAMTD Board Vice-President
Robert Krebs, SAMTD Board Secretary
Ron Christopher, SAMTD Board Treasurer
Joe Green, SAMTD Board Member
Jerry Thompson, SAMTD Board Member
Marcia Kelley, SAMTD Board Member
Allan Pollock, SAMTD General Manager
Linda Galeazzi, SAMTD Clerk of the Board
Pat Mercier, SAMTD Director of Finance

WORK SESSION: Discussion with Salem Area Mass Transit District Board of Directors

Board of Directors' Roles and Responsibilities: Mr. Eyster asked the SAMTD Board if they had any questions or items of interest concerning the tour of LTD facilities that the Salem representatives had taken earlier that day.

Ms. Hanson commented that she had heard several favorable comments from an LTD rider earlier that day regarding the level of service that LTD consistently provided. She further commented that the primary challenge for SAMTD was to build community awareness of their agency's strengths and that perhaps LTD faced many similar challenges.

LTD Assistant General Manager Stefano Viggiano, responding to a question from SAMTD Board Member Ron Christopher, noted that LTD's Springfield Station was approximately 3,500 square feet.

Ms. Tarter hoped that SAMTD might incorporate the ability to allow credit and debit card transactions in a manner similar to LTD. Director of Finance and Information Technology Diane Hellekson noted that the majority of fare machine transactions are made by debit card, and the District has found them to be very convenient for many LTD patrons.

Mr. Green was impressed that LTD riders were actually encouraged to bring their bicycles onto the EmX buses. Mr. Eyster added that the bicycle feature had been enormously successful and that LTD buses often did not have enough bike space to meet the demand.

Ms. Hanson noted that the SAMTD Board had several new members and was in a period of significant transition. She believed that LTD had a good community support system with regard to its strategic planning efforts, and she looked forward to further discussion of LTD strategies.

Mr. Pangborn briefly described the various elements of the LTD organizational chart and generally described how the basic organizational structure of LTD had developed over time. Director of Service Planning, Accessibility, and Marketing Andy Vobora provided additional comments on how the various LTD service departments interacted.

Ms. Tarter asked for further information regarding the role of the LTD Board in overall community engagement and outreach processes. Mr. Vobora briefly described how the Board's role in LTD's community engagement process often overlaps with that of LTD staff.

Mr. Evans commented that the Board was well supported by LTD staff with regard to its community engagement efforts.

Mr. Gillespie agreed, noting that in his brief tenure as an LTD Board member, he had been given ample opportunities to contribute to the community outreach process.

Ms. Hanson noted that the SAMTD Board also was interested in learning more about the various levels of interaction between LTD Board and staff members. Mr. Eyster responded that both Board and staff members had worked diligently with the Eugene and Springfield City Councils in order to maximize LTD's public outreach efforts.

Mr. Pangborn noted that the LTD Board represented the policy making arm of the organization and, therefore, needed to be as educated as possible with respect to LTD's multitude of community engagement activities.

Mr. Necker referenced the most recent LTD service redesign efforts and noted that the LTD Board members had been extremely proactive with respect to their public outreach efforts.

Ms. Tarter noted that staff resources for SAMTD were more limited than those of LTD and expressed that SAMTD's Board members also had been very active in SAMTD's community engagement activities.

Mr. Eyster added that LTD Board members served on a number of different volunteer Boards and committees throughout the community.

Mr. Eyster noted that over the last several years, the public had been made much more aware of the significant role that public transit services and systems play in the community. Mr. Eyster briefly described how the LTD Board and staff, such as Mr. Vobora, typically used local media outlets in order to distribute information regarding LTD services and programs to the community. Mr. Vobora noted that LTD staff usually met with editorial staff from Eugene's *Register-Guard* newspaper and other media outlets approximately four times per year in order to keep them updated on LTD projects and services.

Mr. Eyster commented that LTD's continuing relationships with various state and federal agencies also has been very beneficial to LTD.

Mr. Pangborn expressed that when interacting with various governmental agencies, LTD Board members usually receive the most credibility; LTD staff members accompany Board members to provide supplemental information.

Responding to a request from Ms. Hanson, Mr. Pangborn briefly described elements of LTD's 20-year vision, noting that the plan included the Road Map, which was comprised of three components: 1) a long-term vision for public transit services; 2) a collection of strategic transit goals and objectives; 3) and a comprehensive budget process. He then described how the Road Map had historically been applied to LTD programs and services.

Ms. Hellekson added that LTD's 20-year plan contained a great deal of specificity in the first eight years and that the first year typically became the template for the following year's budget.

Ms. Towery briefly described how LTD had worked with its community partners as well as various community leaders in order to develop its long-range plan.

Mr. Kortge noted that LTD's 20-year plan had helped to focus its long-term planning efforts, particularly with respect to fundamental elements such as reserve funding and LTD's fare policies.

Mr. Gillespie said that he was curious as to how the Salem community had reacted to SAMTD's recent service reductions and the resultant service redesign process. Ms. Hanson answered that the service redesign had represented the current SAMTD Board's first real effort to generate community participation, and this effort had led to several good conversations about how transit services might best be provided in the future.

Mr. Pollock provided detailed information regarding the recent SAMTD service reductions and noted that they had amounted to a 26 percent cut from 2006 service levels. He proceeded to describe various elements of the SAMTD service redesign process.

Ms. Kelley expressed her hope that the LTD Board and staff might be able to provide information regarding its administrative staff and budget with which to compare to that of SAMTD. Mr. Pangborn responded that LTD would be able to provide such information.

Mr. Pangborn pointed out that SAMTD was primarily funded by property taxes while LTD was primarily funded by payroll taxes.

Mr. Krebs said that it had been difficult to educate the Salem community about its transit systems since much of the television media outlets covering that area were actually based out of Portland.

Mr. Evans reported that LTD would be hosting the American Public Transportation Association's (APTA) Transit Board Members Seminar on July 17-20, 2010, and noted that a formal invitation to the event would be forthcoming. Mr. Evans added that LTD's affiliation with APTA had been very beneficial to the District and had helped to foster several positive relationships with various transit districts, community advisory groups, and government agencies.

Ms. Hanson offered SAMTD's assistance in some form in the planning and execution of the upcoming APTA seminar. Mr. Evans thanked her for the offer and said that he would follow up with SAMTD as plans came together.

Mr. Evans noted that the City of Eugene planned to host the Northwest Corridor Rail Summit at Lane Community College on March 9, 2010. He further noted that the conference was planned to focus on the implementation of high-speed rail systems between Eugene, Oregon, and Vancouver, British Columbia.

Ms. Hanson thanked the LTD Board and staff members for their hospitality and informational discussions.

Mr. Eyster thanked the Salem area representatives for their participation and input.

The SAMTD Board excused themselves from the meeting at 6:36 p.m.

EMPLOYEES OF THE MONTHS: Director of Transit Operations Mark Johnson introduced the LTD Employee of the Month for January 2010, Bus Operator Cindy Meader. He noted that she had been nominated due to her calm, courageous, and professional response to a recent medical emergency that had occurred on her bus. Mr. Eyster presented Ms. Meader with her award and thanked her for her many years of service to LTD.

Mr. Johnson introduced the LTD Employee of the Month for February 2010, Bus Operator Cesar Duarte, and noted that he had been nominated as a result of his recent efforts to assist with LTD's special football services. Mr. Eyster presented Mr. Duarte with his award and thanked him for his dedicated service.

AUDIENCE PARTICIPATION

Pauline Hutson spoke on behalf of Residents for Responsible Rapid Transit (3RT) in support of the options currently under consideration for the West Eugene EmX expansion along 6th and 7th Avenues. She commented that those options represented the least amount of property and easement acquisition and that the non-dedicated lane for the expansion would be significantly less disruptive than a dedicated one. She further maintained that the West Eugene EmX expansion along 6th and 7th Avenues provided a wealth of opportunities for the continuation of EmX service and also would be integral to the economic development of the West Eugene area.

She further noted that the West Eugene EmX expansion would be invaluable to those "transportation disadvantaged persons" residing in West Eugene.

Responding to a request from Mr. Eyster, Director of Planning and Development Tom Schwetz clarified that the formal decision for selecting the locally preferred alternative regarding the West Eugene EmX expansion was expected to be made later in 2010. He noted that LTD staff were preparing the Draft Environmental Impact Statement and were scheduling public outreach meetings before proceeding further on the matter.

Mr. Pangborn pointed out that Mr. Vobora had recently received a Cornerstone Award from the Springfield Chamber of Commerce for his recent work on the joint University of Oregon/Springfield Chamber Tailgate Auction.

Mr. Eyster added that LTD had been given a certificate of appreciation from Eugene Mayor Kitty Piercy in her recent State of the City address in recognition of the District's work in reducing vehicle traffic and pollution in the community.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Kortge moved adoption of LTD Resolution 2010-001: It is hereby resolved that the Consent Calendar for January 20, 2010, is approved as presented. Ms. Towery provided the second. The Consent Calendar consisted of minutes of the October 23, 2009, Board Strategic Planning Work Session; minutes of the November 18, 2009, Regular Board Meeting; minutes of the December 7, 2009, Board Strategic Planning Work Session; and the minutes of the December 16, 2009, Canceled Board Meeting.

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

Audit Report for Fiscal Year Ending June 30, 2009: Ms. Hellekson briefly described the nature of the independent audit that had recently been conducted and introduced Charles Swank from the firm of Grove, Mueller & Swank, P.C. to present the results of the audit.

Mr. Swank provided a report on the results of the audit for the fiscal year ending on June 30, 2009, and briefly described how the audit had been performed. Mr. Swank directed the Board members to their copies of the report that he had distributed and noted that he would be happy to answer any questions.

Mr. Swank briefly described the elements of the Comprehensive Annual Financial Report that had been generated as part of the audit. He noted that the report had not been radically changed from the previous year, with the exception that new accounting pronouncements had been incorporated into the most recent report.

Mr. Swank noted that the newly incorporated accounting pronouncements included information regarding the implicit rate health insurance subsidies required by Oregon law.

MOTION Mr. Evans moved adoption of LTD Resolution 2010-002: It is hereby resolved that the LTD Board of Directors received the Independent Audit for Fiscal Year 2008-2009 in December 2009 and accepts the Independent Audit Report for the fiscal year ending June 30, 2009. Mr. Gillespie provided the second.

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

2010 Federal Funding Requests: Mr. Viggiano provided information regarding LTD's two federal funding requests for 2010: the completion of the environmental analysis for the West Eugene EmX Extension project; and various LTD technology upgrades. He noted that the funding requests had been generated in consultation with LTD's United Front partner organizations and would be formally presented in Washington, D.C., on March 1 - 3. Mr. Viggiano commented that the smaller number of federal funding requests reflected an expectation of reduced federal earmarks.

Mr. Viggiano, responding to a question from Mr. Necker regarding the technology upgrades, noted that the real-time dispatch and vehicle location systems involved therein would utilize global positioning system-based information. He further noted that such systems could be included not only on EmX vehicles, but on regular LTD buses as well.

MOTION Mr. Evans moved adoption of LTD Resolution 2010-003: It is hereby resolved that the LTD Board of Directors approves the projects as recommended by staff for inclusion in the 2010 Federal Priorities book. Ms. Towery provided the second.

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

Appointment of Three New Members to the EmX Steering Committee: Mr. Schwetz reported that former Board member Gerry Gaydos had requested an appointment to the EmX Steering Committee. Mr. Schwetz further noted that former Eugene City Councilor Bobby Lee and City of Eugene Sustainability Committee Chair Josh Skov also had requested appointments to that group.

MOTION Mr. Kortge moved adoption of LTD Resolution 2010-004: Appointing Gerry Gaydos, Josh Skov, and Bobby Lee to the LTD Board EmX Steering Committee. Mr. Necker provided the second.

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

ITEMS FOR INFORMATION AT THIS MEETING

Comprehensive Annual Financial Report for Fiscal Year 2008-2009: Ms. Hellekson stated that the Board members had received copies of the Comprehensive Annual Financial Report (CAFR) in December 2009.

Ms. Hellekson noted that a letter to LTD management addressing inventory control and parts reconciliation matters had been included as part of the aforementioned audit.

Ms. Hellekson referred to the CAFR and noted that payroll tax revenues were expected to continue to decrease significantly throughout the next year.

Ms. Hellekson briefly elaborated upon the items included in the CAFR executive summary. She then added that the fare box recovery ratios described therein had remained fairly strong and consistent.

Ms. Hellekson briefly addressed the audit results presented earlier by Mr. Swank and noted that Other Post Employment Benefits were being booked for the first time as part of the CAFR.

Ms. Hellekson reported that system productivity for FY 2008-2009 had broken all previous records.

Responding to a question from Mr. Gillespie, Director of Human Resources and Risk Management Mary Adams noted that LTD's insurance expenses had increased dramatically due to recent relatively expensive insurance claims that had subsequently increased the usage and overall cost of the LTD liability insurance plans. Ms. Hellekson added that LTD had recently changed the way it funded its workers' compensation claims process, and that had significantly changed the year-to-year comparisons for the insurance expense figures.

Board Member Reports

West Eugene EmX Extension Corridor Committee: Mr. Kortge expressed his disappointment that Mr. Evans had not been able to attend the January 6 West Eugene EmX Extension Corridor Committee.

Mr. Gillespie noted that Mr. Kortge and Mr. Necker had challenged instances of blatantly false information being put forth by certain members of the public at the January 6 meeting. He was grateful that Mr. Kortge and Mr. Necker had directly countered some of the misrepresentations that had been brought up at the meeting.

Metropolitan Policy Committee (MPC): Mr. Eyster reported that there had been general agreement at the January 14 MPC meeting regarding the manner in which the Surface Transportation Program-Urban (STP-U) funding breakdown would proceed. He expected that the matter would be voted upon at the next MPC meeting.

Mr. Pangborn added that LTD could ultimately expect to receive approximately \$500,000 per year for three years in STP-U funds as part of the current allocation process.

Board Committee Assignments: Mr. Gillespie reported that he and Ms. Schapper had recently met with attorney John Arnold as part of his orientation for new Board members.

Mr. Gillespie then expressed interest in serving as a representative on the Joint Locally Preferred Alternative Committee (JLPAC), but was concerned about quorum requirements. Ms. Schapper clarified that the issue discussed with John Arnold involved proper public notice of LTD committee meetings. As long as LTD supplies proper notice to the public that a meeting of the Board would take place, including Board committee meetings, a quorum of the Board being present would not be an issue.

Mr. Viggiano clarified however, that the JLPAC is composed of members of various local governmental agencies; therefore, LTD's representation on the committee would be limited. In response to Mr. Gillespie's request, Mr. Kortge agreed to remove himself from the JLPAC and allow Mr. Gillespie to serve instead.

February Legislative Session: Mr. Viggiano reported that the next session of the Oregon State Legislature is scheduled to begin on February 1. He noted that the majority of the bills that had already been submitted did not appear to have any significant impact on LTD.

Mr. Viggiano added that the LTD presentation to the Eugene City Council on budget and service issues scheduled for February 10 would most likely be postponed until February 17.

Joint Meeting with Lane County Board of Commissioners: Mr. Viggiano reported that the agenda for the joint meeting scheduled for February 8 would be finalized before the end of the week. He further noted that the agenda was heavily focused on transit matters and that various discussions regarding EmX expansion projects and the Locally Preferred Alternative were expected to take place.

Mr. Viggiano stated that the joint meeting also would address the formation of an Area Commission on Transportation (ACT) for Lane County as well as a variety of legislative funding efforts.

Charter Services Update: Mr. Vobora noted that LTD staff had recently received information on the group pass sales and found that PeaceHealth monthly transit pass sales was roughly equivalent to what they had paid for its group pass contract.

Mr. Vobora presented information on LTD's charter services and noted that some private transit providers were expected to provide services over the next year that had been provided by LTD in past years. He noted that further discussions with event organizers and private transit providers would need to take place before the extent of LTD's charter service opportunities would be known.

Mr. Kortge noted that the University of Oregon's (UO) timeline for setting up private transit contractors seemed particularly ambitious.

Mr. Vobora noted that LTD staff had received several positive comments from the UO and the community regarding the nature of the charter services LTD had provided during the recent Civil War football game.

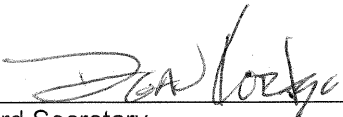
Mr. Vobora noted the possibility that LTD might lose revenue on UO charter services for athletic events in the future.

Mr. Gillespie maintained that the charter services provided by LTD were more sustainable than those provided by some private transit providers.

Monthly Financial Report: December 2009: Ms. Hellekson stated that payroll tax revenues were down by nearly the same percentage as the previous month and further noted that ridership was down not only for LTD but also for other transit systems throughout the country.

Ms. Hellekson added that she and Mr. Pangborn were investigating state funds that had unexpectedly been received by LTD. She hoped to determine whether or not LTD was actually entitled to utilize those funds.

There being no further business, Mr. Eyster adjourned the meeting at 7:37 p.m.



Board Secretary

Q:\Reference\Board Packet\2010\03\Regular Mtg 03-17-10\BDMIN_01-20-10.docx