

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

BOARD MEETING

Wednesday, September 16, 2009

Pursuant to notice given to *The Register-Guard* for publication on September 10, 2009, 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, September 16, 2009, in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Gerry Gaydos
Michael Dubick (via conference phone)
Greg Evans
Dean Kortge
Ed Necker
Doris Towery
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Kim Young, Minutes Recorder

CALL TO ORDER/ROLL CALL – Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors at 5:36 p.m. and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Eyster had no remarks.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – There were none.

BOARD CALENDARS – Mr. Pangborn reviewed the calendars and indicated that the October 12 work session would likely be canceled.

WORK SESSION

West Eugene EmX Extension Project— Director of Planning and Development Tom Schwetz provided an update on the status of the West Eugene EmX Extension (WEEE) Project. He requested feedback from the Board on the material to be presented to the Eugene City Council on September 30, 2009. In his presentation, Mr. Schwetz emphasized the postponement of the Draft Environmental Impact Statement (DEIS) deadline. The DEIS release was now scheduled for mid-July 2010, and the locally preferred alternative decision-making process would commence after that. He said that the Federal Transit Administration (FTA) requested more data to support the travel demand forecasting model and had asked for more review time, pushing out the DEIS release date. Mr. Schwetz discussed LTD's plan to employ the Department of Land Conservation's Quick Response process with the goal of developing a set of context-sensitive design elements that could be incorporated into the project as mitigation measures. The process would take about two months and would involve a committee of stakeholders from the area. Part of the process would include open houses. Mr. Schwetz added that the firm Cameron McCarthy

Gilbert & Scheibe Landscape Architects, LLP would manage that process on behalf of the State and that the process was a joint project of the City of Eugene and LTD.

Mr. Schwetz made note of the work of the WEEE Corridor Committee (WEEEC), which advised the decision makers on various elements of the project. The Committee had recently grown to include more interested parties from along the corridor. Copies of the WEEEC member list were provided to the Board.

Mr. Schwetz reported that the focus of the upcoming presentation to the Eugene City Council would be the locally preferred alternative selection process. He shared the timeline for that process and indicated that the LTD Board, the Eugene City Council, and the Metropolitan Policy Committee must agree on the locally preferred alternative. He anticipated the formation of a committee composed of representatives of those three bodies that would meet several times during the recommendation phase to develop a joint recommendation to the three deciding bodies.

Mr. Evans asked if the FTA had a matrix that LTD could use to score the locally preferred alternatives or if LTD would create such a matrix. Mr. Schwetz suggested that such a matrix, or score sheet, would be created by the criteria developed during the DEIS. Mr. Pangborn indicated that the FTA employed an analysis format that it would use to evaluate the alternatives concurrently with the local process.

In response to a question from Mr. Evans, Mr. Schwetz indicated that staff were looking into a community survey regarding EmX. Mr. Schwetz pointed out that much of the work that LTD was doing prior to the release of the DEIS, in terms of public outreach, was preparing people to receive the DEIS and to understand it. He said that a survey might be a good way of testing the effectiveness of that approach. Mr. Evans suggested that alternatively, LTD could consider convening a focus group of citizens chosen at random. Mr. Pangborn replied that staff had been thinking about doing a survey or convening a focus group very soon to find out how people were receiving and processing information and where information gaps were occurring.

Ms. Towery suggested that LTD take advantage of the work done on the Franklin corridor by University of Oregon students. She questioned the reliability of the manner in which people were receiving information by the outlets that were currently available. She suggested that the Board could overcome public opposition to the project by providing the public with as much information as possible, which she believed would result in more constructive feedback. Mr. Schwetz indicated that he would return with information about what LTD was currently doing in regard to public information.

Responding to a question from Mr. Eyster about whether the delay requested by the FTA would impact the project construction timeline, Mr. Schwetz said that he did not think that there would be any impact but emphasized the importance of staying on schedule from this point forward.

Board Strategic Planning Session – Director of Human Resources and Risk Management Mary Adams reminded the Board of the October 23 planning session and its focus on leadership development and succession planning. She provided an overview of the proposed agenda and also provided Board members with a list of questions to consider prior to the session.

Debrief 2009 Legislative Session – Assistant General Manager Stefano Viggiano introduced Doug Barber, who will represent LTD in Salem at the next legislative session. Mr. Viggiano reviewed the legislative report included in the meeting packet. He highlighted LTD's success in

achieving its legislative objectives as they related to additional funding for the WEEE, an increase in the payroll tax, and increased funding for elderly and disabled transit. He also noted the passage of legislation calling for the formation of a local Area Commission on Transportation (ACT).

Responding to a question from Mr. Necker, Director of Finance and Information Technology Diane Hellekson explained the mechanism that would trigger a payroll tax increase, which would involve a finding of local economic recovery.

Mr. Evans asked if point2point Solutions could be funded with the revenues realized by the passage of House Bill 2001, the Jobs and Transportation Act. Mr. Viggiano speculated that it might be possible, but he questioned whether LTD would want to use those dollars for that purpose. He suggested that LTD would prefer to see different funds used for that purpose and to retain the funding in question for elderly and disabled transit given the strong need that exists in that area. Mr. Pangborn added that he believed the Metropolitan Policy Committee generally supported using Surface Transportation Plan-Urban (STP-U) funds for point2point Solutions.

Mr. Viggiano introduced the subject of LTD's priorities for the upcoming 2010 legislative session, suggesting that the session could be influenced by tax referendums. Mr. Barber then reviewed the details of the four referendums currently being circulated. He indicated that success of the referendums related to the personal and corporate tax increases could create an additional \$735 million shortfall in the budget. If the two referendums passed, he anticipated that the special legislative session scheduled to begin shortly after the January 2010 vote would be focused on budget reduction.

Mr. Viggiano reported that the local legislative delegation had unanimously supported all LTD-related measures and that LTD had a good working relationship with each legislator due to its careful preparation for the session.

Mr. Eyster welcomed local Amalgamated Transit Union representative Brian Pasquali, who was present at the meeting.

EMPLOYEES OF THE MONTHS

Director of Transit Operations Mark Johnson introduced Bus Operator Rebecca Bailey, the August 2009 LTD Employee of the Month. Mr. Eyster presented Ms. Bailey with a pin, a letter of recognition, and a certificate recognizing her achievement. Ms. Bailey thanked the Board for the recognition.

Transit Services Manager Sue Quick introduced Operators Supervisor Charlie Clarke, the September 2009 LTD Employee of the Month. Mr. Eyster also presented Mr. Clarke with a pin, a letter of recognition, and a certificate recognizing his achievement. Mr. Clarke thanked the Board and commended LTD as a preferred place of employment.

Director of Service Planning, Accessibility, and Marketing Andy Vobora introduced Transit Service Planner Ken Augustson, the October 2009 LTD Employee of the Month. He said that Mr. Augustson was the author of the service redesign and had done a great job. Mr. Eyster presented Mr. Augustson with a check, a pin, a letter of recognition, and a certificate recognizing his achievement. Mr. Augustson thanked Mr. Vobora and the selection committee.

AUDIENCE PARTICIPATION – No one wished to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – Mr. Dubick moved adoption of LTD Resolution 2009-023. It is hereby resolved that the Consent Calendar for September 16, 2009, is approved as presented. Mr. Gaydos seconded the motion. The Consent Calendar included minutes of the following meetings: May 20, 2009, Regular Board Meeting; June 17, 2009, Regular Board Meeting; July 15, 2009, Canceled Board Meeting; July 27, 2009, Special Board Meeting/Luncheon; and the August 19, 2009, Canceled Board Meeting.

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

Mr. Pangborn introduced John Evans, who recently joined the LTD Planning and Development staff as a Senior Project Manager.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports:

West Eugene EmX Extension Corridor Committee – At the meeting held on September 10, Mr. Gaydos said that the Committee had the opportunity to examine some detailed maps and hear some interesting presentations by staff. He thought that the September meeting had been a good start for the Committee's new members.

Metropolitan Policy Committee – Mr. Eyster said that STP-U funding was discussed at the recent Metropolitan Policy Committee meeting held on September 10. He anticipated more discussion in the future and noted that LTD had agreed to forego a request for funding this year with the expectation that more funding would be requested in the future.

Board Human Resources Committee – Mr. Dubick noted that at the September 8 committee meeting, the Committee had discussed the GM evaluation process and tools for the current evaluation.

FTA Administrator Peter Rogoff Visit – Mr. Eyster reported on the recent visit of Mr. Rogoff and Congressman Peter DeFazio, which included a ride on the EmX system. He said that Mr. Rogoff was very knowledgeable about LTD, the EmX system, and the role that LTD has played in transit nationally. He characterized the visit as a good one. Mr. Pangborn concurred.

Oregon Transportation Commission Presentation: Mr. Eyster noted that the Oregon Transportation Commission met in Eugene the previous day. LTD had presented information to the Commission regarding the EmX system, and Board members had participated in panel discussions. Mr. Pangborn reported that LTD also had taken commission members on tours of the system earlier that day.

Mr. Pangborn provided a brief update regarding LTD's new EmX fare machines, indicating that enforcement would be "soft" in the first month of operations and then would be more strongly reinforced in October. He said that LTD would know more about the impact of the fare machines on ridership soon, acknowledging that ridership had began declining recently, which is believed to be due to the recession.

Transportation Investment Generating Economic Recovery (TIGER) Grant – Mr. Viggiano provided information on the grant request, indicating that LTD was a co-applicant with the City of Springfield and the Oregon Department of Transportation for a discretionary TIGER grant to underwrite the costs of improvements to Franklin Boulevard through Glenwood. The grant was intended to foster economic development in the area and would fund the reconstruction of the existing configuration to a multi-way boulevard that would accommodate EmX lanes and stations. He acknowledged that project readiness was an issue given the challenge created by the construction deadline of February 2012 and the project requirement for an environmental review to meet the National Environmental Policy Act.

Mr. Evans asked about the potential for an extension. Mr. Viggiano suggested that it could happen if disbursement takes longer than expected. He added that the fact that the project would be done in phases could also help secure funding - with the expectation that the first two phases could be funded within the grant timeline.

Fiscal Year 2008-2009 Performance Report – Mr. Viggiano briefly reviewed the performance data, which was included in the meeting packet.

Monthly Financial Report – Ms. Hellekson referred the Board to the *July and August Financial Statements* handout. She noted both the decline in passenger fares and boardings as well as the decline in payroll tax receipts. She indicated that if nothing changed between now and the year's end, LTD would be facing a \$3 million shortfall, which could result in major service cuts in Fall 2010. She said that unemployment was leveling off, but she did not think that receipts in the current year would reach the level they had in previous years. She said that the September Oregon Economic and Revenue Forecast had indicated that it would take until 2013 before Oregon was likely to have the same number of jobs that it had in 2007. Staff would have more information to share about the implications of fewer available jobs on the Long-Range Financial Plan at the upcoming strategic planning session.

Ms. Hellekson mentioned the decline in ridership, reporting that Tri-Met and other Oregon transit agencies were experiencing the same trend. She noted increases in fuel prices but reminded the Board of LTD's investment in the storage of fuel in Fiscal Year 2009, which had turned out very well for the District. Responding to a question from Mr. Necker about whether LTD was being sufficiently conservative in its estimates of fuel prices, Ms. Hellekson said that the District had budgeted \$2 per gallon, and prices had not yet reached that level. LTD would draw down from the stored fuel when prices exceeded \$2. She recalled that the goal of storing the fuel was to guarantee one year of fuel price controls. She noted that the fuel's limited shelf life also would be considered.

Mr. Kortge suggested that the Board should probably be looking at service reductions over a two-year period, rather than a one-year period. Ms. Hellekson said that LTD currently had sufficient reserves to maintain existing service levels for one year. Mr. Pangborn recommended that the Board consider establishing a base level of service that LTD could live with over two to three years that could be enhanced if possible, as opposed to making a series of cuts over two years.

Mr. Evans suggested that LTD faced a political problem that was created by service reductions occurring concurrently with the completion of the Gateway EmX. He thought that the Board needed to discuss how it communicated with residents about how transit is funded. Mr. Evans pointed out that Mayor Kitty Piercy had indicated that further service reductions were not acceptable. Because LTD's reductions would affect the community's least fortunate, he agreed with Mayor Piercy; however, he thought that LTD had no choice in the absence of more funding.

Mr. Pangborn said that staff had hoped to be able to make it through two years without more reductions, but he doubted that the economy would recover in time. He pointed out that LTD was adding service with the Gateway EmX extension at the cost of \$1 million per year after the mid-fiscal year start-up. The added system would carry many people, but he believed that mattered little to residents who were losing neighborhood service.

Mr. Necker observed that, generally, people did not understand the distinction between operational and capital funding. Mr. Evans said that was one of the reasons he continued to push for a transportation summit at the Metropolitan Policy Committee level. He did not think people understood the impact of the transit system on the economy.

Mr. Eyster suggested that as soon as LTD became certain that further reductions were necessary, it should share that information with elected officials. Mr. Pangborn concurred and said that staff would return with strategies and ideas for the October 23 meeting.


Monthly Department Reports – There were no questions.

Monthly Performance Reports – There were no questions.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

- A. Debrief – West Eugene EmX Presentation to the Eugene City Council
- B. Board Strategic Planning Work Session
- C. Independent Audit Report and Comprehensive Annual Financial Report
- D. Union Contract Negotiations
- E. Pension Plan Trustee Selection
- F. General Manager Performance Evaluation
- G. LTD Road Map Update
- H. New Board Member
- I. West Eugene EmX Extension Update
- J. Gateway EmX Extension Construction Updates

ADJOURNMENT - Mr. Eyster adjourned the meeting at 7:13 p.m.



Board Secretary