

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

Wednesday, January 16, 2008

Pursuant to notice given to *The Register-Guard* for publication on January 10, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, January 16, 2008, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present:           Gerry Gaydos, President, presiding  
                  Mike Eyster, Vice President  
                  Dean Kortge, Secretary  
                  Debbie Davis, Treasurer  
                  Michael Dubick  
                  Greg Evans  
                  Mark Pangborn, General Manager  
                  Jo Sullivan, Clerk of the Board  
                  Kim Young, Minutes Recorder

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the meeting of the Lane Transit District (LTD) Board of Directors to order at 5:35 p.m. and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos thanked everyone for being present and hoped that all had happy holidays.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Pangborn indicated that LTD received an American Council of Engineering Companies of Oregon (ACEC) Engineering Excellence Award for work done by Parsons Brinkerhoff Engineers. He said that LTD's Director of Planning and Development Tom Schwetz also traveled to Washington, DC, to accept an Honorable Mention for the Sustainable Transit Award from the Institute for Transportation and Development Policy. The Institute for Transportation and Development Policy recognized Lane Transit District's EmX bus rapid transit system as the only United States project selected for an award in 2008. LTD joins the cities of Guatemala City, Guatemala, and Pereira, Colombia, in the Honorable Mention category, while Paris, France, and London, UK, both received the top award this year.

**BOARD CALENDARS** – Mr. Pangborn noted the upcoming February 4 Springfield City Council meeting, at which the Council would consider the Pioneer Parkway EmX 30 percent drawings for construction design. He encouraged Mr. Eyster or Ms. Davis to attend. He said progress on the project was going well and LTD had a good working relationship with City of Springfield staff. He noted other future events, including the Springfield Chamber of Commerce dinner on January 18, the Eugene Area Chamber of Commerce Celebration of Business on January 23, the LCOG Appreciation Dinner on January 24, the LTD Employee Celebration dinner on January 27, and the Eugene Chamber of Commerce Economic Forecast on January 30.

**WORK SESSION**

**Pioneer Parkway EmX Project Update** – Information Technology Manager Steve Parrott shared an example of a passenger information system sign developed by LTD Software Engineer Larry Storm. The sign used real time information from the Franklin EmX and showed arrival and departure times. The signs would be located at stations.

Facilities Services Manager Charlie Simmons provided a PowerPoint presentation updating the Board on LTD's progress on the Pioneer Parkway project. He noted LTD's receipt of comments from the City of Springfield and the Oregon Department of Transportation (ODOT) on the 30 percent drawings for the corridor design, and the meetings that were occurring with the staff of those agencies. He indicated that budget numbers would be forthcoming when the design was more firm. He briefly noted the time frame for construction of the Gateway station, International Way, and the remaining parts of the corridor and other stations. Mr. Simmons hoped to have the design complete in 2008, with construction to start the following year on Pioneer Parkway and Gateway, and operations to commence in late 2010.

Mr. Evans asked if staff had addressed the access issues raised by the business owner on International Way who had provided testimony to the Board. Mr. Simmons provided an update on community outreach and said that staff continued to meet with residents and business owners with the goal of completing those contacts before the February 4 Council meeting. The majority of contacts had been positive, or at least neutral, and staff were able to address many of the concerns that were raised. Mr. Simmons shared a map illustrating the properties where contacts had been made and properties where contacts were yet to be made.

Responding to a question from Mr. Eyster, Mr. Simmons said that the City of Springfield was working with PeaceHealth to resolve the alignment of a possible road connection between River Bend Drive and International Way.

Responding to a question from Mr. Kortge, LTD's School Transportation Project Assistant Lisa VanWinkle confirmed that the potential of group bus passes had come up in discussions with business representatives.

Mr. Simmons indicated that concerns raised regarding parking near the Springfield Cleaners had been resolved. He reported that ODOT had been concerned about Americans with Disabilities Act (ADA)-required improvements and shoulder width, and LTD was working with the agency to resolve those issues. ODOT also was concerned about bicycle lanes, and Mr. Simmons shared a schematic of the EmX bike-pedestrian crossing that staff were discussing with the City of Springfield. He also shared a schematic showing a barrier between the EmX route and bicycle path, and added that some concerns about that approach were still being discussed. Mr. Evans asked if the vegetative border would be incorporated into the barrier. Mr. Simmons indicated that it would, and that the plants would be the height of the barrier and would be drought-resistant.

Mr. Simmons shared a schematic of the Q Street Station showing access to the adjacent shopping center (Walgreens) and a schematic of the Hayden Street Station showing the proposed location of the pedestrian crossings, which were still under discussion with the City of Springfield. He shared an aerial photograph showing the location of the PeaceHealth RiverBend campus and another aerial photograph showing the area directly to the north. He indicated the north link to the system, which he hoped would be in place by 2010.

Mr. Simmons shared a schematic of the International Way West Station, which had been moved to the east of the road, and indicated that LTD would remove and replace the entire multi-use

path in that area. He shared an aerial photograph of the Gateway-Beltline intersection, which was an ODOT project, and said that LTD continued to monitor the design with the goal of being able to provide input on extra lanes or queue jumping possibilities. Mr. Simmons also shared an aerial photograph showing the location of the Gateway-Harlow stations.

Mr. Eyster asked if Mr. Simmons had a sense of the City Council's reaction to the project at this point. Mr. Simmons indicated that he did not, but believed that the issues of concern could be worked out and that the Council could support the project.

**Annual Route Review** – Director of Service Planning, Accessibility, and Marketing Andy Vobora invited Board input regarding the preliminary remarks to be offered by staff at the February 11 public hearings. A list of public comments received so far had been distributed to the Board.

Mr. Vobora and Service Planning Manager Will Mueller reviewed the *Annual Route Review 2008 Service Change Summary for FY 2008-09*. Board members asked questions to clarify the information provided.

Mr. Mueller reviewed a prioritized summary showing the points assigned to the routes by the Employee Service Advisory Committee scoring system.

Mr. Eyster suggested additional outreach to the east and north areas of LTD's service area. Mr. Vobora concurred, and said that staff would seek opportunities in Junction City, Veneta, and the Santa Clara area.

Mr. Mueller encouraged the Board to review the written input, which demonstrated considerable unmet need in the community.

Mr. Gaydos asked if the increase in United Airlines' flights could justify some service to the airport. Mr. Mueller said that staff looked at the issue and found challenges, but that LTD wanted to get there one day. Mr. Vobora suggested that service to the airport might allow LTD to take advantage of some available grant funding.

Mr. Gaydos closed the work session and convened the regular meeting.

**EMPLOYEE OF THE MONTH** – The Board recognized Bus Operator Jodi Nicholson as Employee of the Month. Director of Transit Operations Mark Johnson introduced Ms. Nicholson, a long-time driver with 24 years of accident-free driving. Mr. Johnson commented that Ms. Nicholson had been nominated by a 91-year-old rider who appreciated the extra care that Ms. Nicholson gave to "older people". Mr. Johnson added that Ms. Nicholson was a pleasure to work with and that he was pleased to see her recognized with this honor.

Mr. Gaydos thanked Ms. Nicholson for her service to LTD and presented her with a certificate of appreciation, a check, and a pin commemorating the award.

Ms. Nicholson joked that LTD "finally got it right," and thanked the Board.

## **AUDIENCE PARTICIPATION**

**Frank Wikle**, a longtime LTD operator, said he drove the Veneta bus on several bids and knew many of the people who rode the bus. He said many of them depended on LTD for transportation. When he heard of the potential reduction in services, he tallied the number of riders from around Alvadore on both runs and found that there were about eight on the 7:30 a.m. run and about eleven on the 9:30 a.m. run. The majority of riders boarded after he left the shopping center. Mr. Wikle had served on the Service Advisory Committee and recalled the difficulty the Committee had in designing and fixing routes. He hoped the Planning Department was willing to consider the human aspect of making cuts to current services in order to fund services that were yet to be proven successful. He also hoped that the Board would consider the impact on longtime riders who supported LTD. He believed that these riders would be willing to work with LTD on a compromise. Mr. Wikle thanked the Board and submitted his testimony in writing.

**Sue Craig**, route 93 (Veneta) rider, spoke next, stating that there was not a large ridership on the Veneta route but that she hoped it would grow as people became aware of their carbon footprint on the environment. She suggested the potential of using a smaller vehicle or allowing riders to board at Jerry's Home Improvement. She perceived public transit would be more and more viable, requiring more feeder routes as people became less mobile as they aged. She wanted to take public transit if possible. She spoke of the successful transit services in Denver and Washington, DC, which included feeder services. She recommended that LTD consider what TriMet was doing in Portland, which was "fantastic." She asked the Board to keep up the good work because "it would take a while to educate people."

#### ITEMS FOR ACTION AT THIS MEETING

**MOTION** **Consent Calendar** – Mr. Dubick moved adoption of LTD Resolution 2008-001: It is hereby resolved that the Consent Calendar for January 16, 2008, is approved as presented. Mr. Evans provided the second. The Consent Calendar consisted of the minutes of the November 26, 2007, Special Meeting/Work Session with Eugene City Council; December 11, 2007, Special Board Meeting by Conference Call; and December 19, 2007, Regular Board Meeting.

**VOTE** The Consent Calendar was approved as follows:  
 AYES: Davis, Dubick, Evans, Eyster, Gaydos, Kortge (6)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None (one vacancy)

**FY 2007-08 Supplemental Budget** – Accounting Manager Carol James explained the need for a supplemental budget for the current fiscal year. She noted that the requested action was required to repay a loan from the General Fund to the Commuter Solutions Fund that was made in June 2007. A public hearing is required before Board action.

**Public Hearing on Supplemental Budget** – Mr. Gaydos opened the public hearing. There being no requests to speak, he closed the public hearing.

**MOTION** Mr. Eyster moved approval of LTD Resolution No. 2008-002, which amends the LTD Fiscal Year 2007-2008 budget as represented in the resolution. Ms. Davis provided the second.

**VOTE** The resolution was approved as follows:

AYES: Davis, Dubick, Evans, Eyster, Gaydos, Kortge (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: None (one vacancy)

**Approval of Additional Capital Improvements – Rosa Parks Sculpture** – Director of Service Planning, Accessibility, and Marketing Andy Vobora stated that LTD was building on the work being done by the City of Eugene with regard to downtown art. He asked the Board to allocate \$10,000 in the Capital Improvements Program to allow LTD staff to take advantage of that effort and other community partnerships that would support the sculpture. He emphasized that LTD was working with other agencies and was not supplying all the funding.

Mr. Eyster commended the effort.

Mr. Kortge concurred with Mr. Eyster and asked if LTD could commission a statue of someone without permission. Mr. Evans believed that Ms. Parks' status as a public figure essentially placed her within the public domain. Mr. Vobora indicated that he would follow up on the question.

**MOTION** Mr. Kortge moved adoption of LTD Resolution No. 2008-003, amending the LTD Fiscal Year 2007-2008 Capital Improvements Program to add a project line in the amount of \$10,000 for a sculpture dedicated to Rosa Parks at the Eugene Station. Mr. Eyster provided the second.

**VOTE** The resolution was adopted as follows:  
 AYES: Davis, Evans, Eyster, Gaydos, Dubick, Kortge (6)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None (one vacancy)

## ITEMS FOR INFORMATION AT THIS MEETING

### Board Member Reports –

Metropolitan Policy Committee - Mr. Gaydos reported that the Metropolitan Policy Committee had met and reviewed changes to the State Transportation Improvement Program and the Regional Transportation Program.

Board Finance Committee – There was no report.

**2008-09 Pricing Plan Discussion** – Mr. Vobora provided the report, calling the Board's attention to the Peer Group Fare Comparison on page 44 of the meeting packet, which compared LTD's fares with transit systems of a similar size, and an LTD pricing history on page 45 of the packet. He called attention to the Pricing Proposal Summary on page 43 and reviewed the changes being proposed.

Speaking to the increase proposed in the half-fare program cash fare, Mr. Evans suggested that fare increases were passed on to customers through the programs in which they participated. He asked if staff had discussed that issue with the service providers. Mr. Vobora said that the change in question would not affect those people in the same way that token increases would.

He believed that LTD was pushing the envelope of affordability for low-income residents and that issue concerned him. Mr. Vobora suggested that it might be preferable to buy a pass for someone who rode frequently, and invited questions from such agencies.

Mr. Kortge observed that the Finance Committee discussed the potential of relating pricing to District costs, such as the cost of gas. He anticipated that the Board would discuss the issue at some point in the future.

Mr. Evans asked if Congress was discussing the idea of providing fuel subsidies to transit districts facing increased fuel costs. Mr. Pangborn said that King County was involved in a voluntary carbon tax trade in order to use the credits. Mr. Pangborn described what constituted a carbon tax. He believed that it was a good idea and advocated for further discussion. He believed a national, state, and local dialogue was needed to identify new revenue sources to meet these increased costs.

Mr. Vobora sought input from the Board on changes being proposed to the Honored Rider pass, suggesting that the age for riding free be changed to 65 in order to increase people's familiarity with riding the bus and decrease the potential impact on RideSource. He noted that most trips made by such individuals were during off-peak hours.

Mr. Kortge said that the principle made sense. He believed there was some standard for the use of RideSource. Mr. Vobora said that one must meet eligibility requirements, but the screening system was not perfect. Mr. Kortge noted the aging population and stated that he did not want to strip the District of the income that could be realized unless staff believed it would be offset by the potential of increased RideSource costs. Mr. Vobora said LTD was seeking grants to market LTD fixed-route services to seniors. He believed that LTD would have to do other things to increase senior ridership besides changing the age for riding free.

Mr. Gaydos said that now was a good time to reach out to the senior population.

Mr. Dubick believed that the staff proposal was clear, and he agreed with the idea that free fares were offset by the decreased use of RideSource.

Ms. Davis agreed, saying it was important to get seniors used to the bus so that it would become a habit.

**Monthly Financial Report** – Director of Finance and Information Technology Diane Hellekson referred the Board to the Financial Report on page 46, and said that growth in ridership was extraordinary and significantly driven by the success of the Franklin Corridor EmX service. Mr. Pangborn said that the growth in total system ridership was not insignificant, given the increase in the population. Ms. Hellekson said that retroactive payments due to the new Amalgamated Transit Union contracts were posted in December, and it appeared that the personnel services would be within budget for the fiscal year. Payroll taxes looked good, and if the District could maintain the current growth rate, it would be well-positioned for the Long-Range Financial Plan.

Responding to a question from Mr. Eyster, Ms. Hellekson said that staff continued to work on the "bounty hunter" tax compliance effort. Fuel costs continued to be a concern and she anticipated that costs would continue to rise, creating the need for some aggressive growth assumptions.

Accessible services costs are still above budget and continue to grow due to both increased demand for services and increased cost of services.

Responding to a question from Mr. Kortge, Mr. Vobora said a pilot project had begun for the coordinated RideSource/Medicare ride brokerage call center, but full implementation would not occur until May 2008.

**Legislative Talking Points** – Mr. Gaydos thanked LTD staff for the talking points and encouraged them to work with members of the local legislative delegation.

**Board Vacancy** – Mr. Pangborn encouraged the Board to contact the governor if members had a candidate they favored.

**Article in *The Register-Guard*** – Mr. Vobora reported that Jeff Wright of *The Register-Guard* was meeting with staff to discuss issues, policies, and the District's future for an article to be published soon. In addition, Mr. Pangborn was working on a guest editorial.

**Free Fare Analysis** – Mr. Vobora anticipated that he would bring to the Board in February a report on free fares that he had prepared for the Finance Committee.

**EmX Celebration** – Mr. Vobora anticipated that the District would hold a one-year celebration of EmX's first year of operations on May 19, 2008, in conjunction with Earth Day.

**ADJOURNMENT** – There being no further business, Mr. Gaydos adjourned the meeting at 7:35 p.m.

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Board Secretary

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

Monday, February 11, 2008

Pursuant to notice given to *The Register-Guard* for publication on February 7, 2008, 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/public hearing on fare and service proposals on Monday, February 11, 2008, beginning at 5:30 p.m., in the Bascom-Tykeson Room of the Eugene Public Library, 100 West 10th Avenue, Eugene, Oregon.

Present: Gerry Gaydos, President, presiding  
Debbie Davis, Treasurer  
Michael Dubick  
Mike Eyster, Vice President  
Greg Evans  
Stefano Viggiano, Acting General Manager  
Jo Sullivan, Clerk of the Board  
Lynn Taylor, Minutes Recorder

Absent: Dean Kortge, Secretary

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the meeting to order at 5:35 p.m. and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos introduced Ed Necker, who had been appointed to the vacant position on the Board by Governor Kulongoski, and was awaiting Senate confirmation.

Mr. Gaydos remarked that he was proud to be a part of the LTD organization as the District moved forward with transportation solutions for the future. He looked forward to hearing comments from the public.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were no announcements or additions to the agenda.

**PRELIMINARY PUBLIC HEARING ON FY 2008-09 FARE RECOMMENDATIONS** – Director of Service Planning, Accessibility and Marketing Andy Vobora reviewed the pricing proposal summary for 2008-09. He noted that a preliminary review of changes in both fares and service had been conducted at the Board's January 2008 meeting, a second public hearing would be held on March 10 and the Board Service Committee would meet between the hearings to discuss proposed changes. He said there could be adjustments to the proposed changes based on the public involvement prior to final action by the Board at its March 19 meeting.

Mr. Vobora reviewed potential changes to cash fares, day pass prices, and group pass prices. He said that in the recommendation, the senior fare would be phased out, the adult category extended to age 65, and the qualifying age for the Honored Rider program lowered to age 65. Additionally, the holiday taxi reimbursement would be raised from \$10.00 to \$20.00, the RideSource fare would be increased from \$2.50 to \$3.00 per trip, and the summer youth pass program would be retained. He used a table to illustrate discounts and incentives used to



encourage purchase of prepaid instruments. He noted that the price of fuel had increased 221 percent since 2000 and that had a significant effect on the District's fare pricing.

**Public Hearing on Proposed Fare Changes:** Mr. Gaydos opened the public hearing and called for testimony.

**Valerie Anne** of Springfield expressed concern with the RideSource fare increase. She said that many riders were on fixed and limited incomes and their resources were stretched to the limit. She felt that some people would no longer be able to use the service and that would limit their ability to leave their homes. She proposed leaving the fare at \$2.50 so the senior and disabled riders on fixed incomes could continue to use the service.

There being no further testimony, Mr. Gaydos closed the public hearing.

**Staff Comments:** Mr. Vobora explained that RideSource was a necessary but costly service for people who could not use LTD's fixed route service. He explained that a round-trip bus ride cost the District approximately \$6.00 to provide, while a round-trip on RideSource cost \$47.00 to provide.

Mr. Necker remarked that the price increase might also promote more judicious use of RideSource.

**PRELIMINARY PUBLIC HEARING ON FY 2008-09 SERVICE RECOMMENDATIONS** – Mr. Vobora characterized service changes as falling into one of several categories: adjust operational problems in the system, provide enhancements, redesign service areas, and eliminate substandard service. He said that information for service changes was collected from a variety of sources, including the automated passenger counting and vehicle location systems, bus operators, passengers, and customer service employees. He said the District was continuing to explore ways to provide more opportunities for public input. He noted that the Phase One changes to address the new RiverBend hospital complex had been approved by the Board, and the hearing would focus on the Phase Two proposed changes.

Service Planning Manager Will Mueller used a slide presentation of route maps to illustrate the service recommendations. He noted that in some cases the route configuration had not been finalized. He said the deletions represented the lowest productivity routes. He reviewed the Phase Two service additions and said there were many other needs in the community that the district was unable to meet, such as service to new areas, more trips on routes, and alleviating crowding on buses. He said there were several services eliminated during the 2002 cuts that staff hoped to restore eventually.

**Public Hearing on Proposed Service Changes:** Mr. Gaydos opened the public hearing and called for testimony.

**Dennis Turner** of Lindale Drive, Springfield, asked if more frequent stops and times would be established for the #12 route. Mr. Vobora replied that the stops would be the same on the existing portion of the route and the new section would have stops established along International Way and in front of the new hospital; a timetable would be published later in the spring describing the 20-minute frequency.

**Kathleen Peterson** of Umanski Lane, Veneta, said she traveled to Royal Caribbean and connections were difficult for Royal Caribbean employees; they would not ride the bus if they could not get home in the evening when they had to work later than 5:30 or 6:00 p.m. She

wondered if ridership was declining on some routes because of connectivity problems. She said that better connectivity and later service would improve ridership.

Mr. Vobora agreed that the service package for Veneta had not provided good connectivity. He believed that the proposed changes would improve that.

**Helen Cope** of Spy Glass Road, Eugene, requested additional service on the #60 route. She was pleased to see the bus in her area, but hoped that service could be provided mid-morning and mid-afternoon. She understood that service had been cut due to lack of ridership, but said the area was growing and might be able to support additional service.

**Roger Rasmussen** of Honeycomb Drive, Eugene, stated that he rode the #95 and understood that riders who boarded at River Road were counted as Spring Creek in system statistics. He said that ridership was starting to increase and hoped that the #95 would not be rerouted. He suggested diverting the #52 route onto Spring Meadow to Beacon to River Road.

**Annette Plummer** of Riverview Street, Eugene, said she rode the #60 route and asked if eliminating the evening Valley River Center routing would enable her to reach her destination sooner.

Mr. Mueller said she would be able to reach her destination and arrive sooner.

**Dianne Brause** of Lost Valley Lane, Dexter, said she lived at Lost Valley Educational Center, which housed between 25 and 65 adults. She said that more people were getting jobs in town but the #93 schedule made it difficult to use the bus to commute. She wanted to support the transit system and hoped that service could be added to the #93 route.

**David Cohen** of Potter Street, Eugene, spoke regarding elimination of Saturday service on the #28 route. He said he used that service to go to the gym. He said the alternative routes were less convenient and suggested curtailing the Hilyard Street route instead of eliminating it. He commented that lowering the Honored Rider age from 70 to 65 would result in a \$1,000.00 loss for each person over a five-year period.

**Valerie Anne** of Springfield submitted a petition with over 100 signatures and written comments regarding the #93 route. She said the changes to the route particularly affected her because it was her access to employment, and if the reservoir loop were eliminated she would lose her job. She said several other riders were facing the same situation. She said other riders depended on the service to get to town, as they did not own a car or qualify for other transportation services. She encouraged LTD to retain the #93 reservoir loop and save resources by postponing the next EmX phase. She provided several examples of how people in that area would be greatly inconvenienced if the service were eliminated, including youth participating in recreational activities.

**Myra Clark** of Willamette Street, Eugene, commented that the #11 was very late at times on the inbound service in the mornings and afternoons. She said #73 and #24 were scheduled to alternate service in the South Hills, but were now arriving and departing at the same time and that was inconvenient, as was returning to the Eugene Station to catch another bus instead of having routes that served the outskirts of the city.

Mr. Vobora explained that the #73 and #24 routes served very different destinations; one served downtown and the other served the University of Oregon.

**Lucas Murphy** of C Street, Springfield, said he rode buses throughout the system. He said that the #11, #12, #13, #41, and #43 buses were often crowded and ridership was increasing; he was pleased to see the service additions. He liked the #18/#19 service, but it was difficult to make connections with EmX on #18. He said the #11 was often late inbound to the Springfield Station.

He asked if the #18/#19 stop could be moved to 12th Street and B Avenue. He said trees obscured the sign for that stop and it was necessary to step into the roadway to flag the bus. He suggested a stop on 10th and Main streets for the incoming #11 and hoped #11 service on B Street could be every 30 minutes. He hoped there could be an 11:40 p.m. service for Springfield residents.

Mr. Mueller stated that restoring late night service was a high priority. He said LTD had requested a stop at 5th and Main but was turned down by the City. He said if Main Street became two-ways it might be feasible to route a bus in both directions. He said the ongoing challenge was to balance route schedules to make transfers work, and decisions were based on the greatest benefit to the greatest number of people.

**DeAnn Weiler** of Clear Lake Road, Eugene, stated that eliminating the #93 reservoir loop would cut off an entire community. She said there was no alternative service and other people were unable to attend the hearing because there was no later bus on the route. She said many people would be faced with moving or quitting their jobs if the loop was eliminated.

**Kayla Sweeney** of Perkins Road, Veneta, suggested routing the #93 down Hunter and then looping around Perkins and offering service later in the evening and on Sundays. She agreed with those who spoke against eliminating the reservoir loop. She rode the #11 to Thurston and the buses were often overcrowded. She suggested ten-minute service before and after school to accommodate students. She remarked that it was very difficult for people in the back of the bus to disembark when buses were crowded. She thought that stops should be checked regularly to make sure signs were not obscured.

**Michael Nebbe** of Irvington Drive, Eugene, said he worked at Country Coach in Junction City and rode the #95. He said if the Irvington section were eliminated, he would be unable to go to work. He said there was high ridership on the route and more service, not less, was needed. He expressed concern with the need to go to the Eugene Station to catch another bus to get home and recommended small hubs outside of the downtown area. He hoped that later service could be offered on the #52 and other routes so people could use them to go home after work or in the evening.

**Paula Ward** of Green Oaks Drive, Eugene, stated that she lived along the #93 route and had two disabled young adults who could not drive. She said they would face many problems if service was cut. She questioned why people over 70 years of age who did not have the same responsibilities as workers and those raising families should be allowed to ride for free. She felt those older riders should pay half fare like disabled riders. She said many people depended on the #93.

**Mel Barnes** of C Street, Springfield, distributed a list of suggested route changes to Board members and briefly reviewed his recommendations. He said he provided transit system orientation to people as a volunteer at the senior center and as a bus buddy.

**Moshe Immerman** of Washington Street, Eugene, thanked LTD Board members and staff for listening to the public's comments. He discussed possibilities for expanding service despite

declining revenues, including serving as a model program linked to air quality and global warming for which grant funds might be available. He said that use of synthetic oil increased fuel economy and listed other products that could produce similar results and reduced environmental impacts. He exhorted LTD to stay with its vision and suggested making free rides for senior citizens means-tested.

**Board/Staff Comments:** In response to some speakers' comments, Mr. Gaydos said that the District did not generate a profit; the system was subsidized by a payroll tax and the farebox represented only about 17 percent of revenue.

There being no further comments Mr. Gaydos closed the public hearing.

Mr. Vobora thanked speakers for their comments and said those would be considered when staff developed the final service recommendations.

Mr. Evans asked if staff had considered any options for the #93 that would allow for some service on the reservoir loop and whether earlier and later trips could be added to the #7 instead of just eliminating the two morning and two evening trips as proposed. Mr. Vobora said that some of Mr. Evans' ideas, as well as ideas suggested by speakers, had been considered, but the concern was that overall ridership was already low and it would be difficult to try to create a schedule to fit the needs of one segment of the population. He said that all of the suggestions would be reviewed by staff before the final proposal was presented to the Board.

Mr. Evans asked if staff had suggestions for addressing the problem of inbound trips and connections with transfers. Mr. Mueller replied that some trips needed more time to get to the station and that created problems with transfer but the only way to speed up those trips was to eliminate a portion of the route. He said efforts to make those connections were an ongoing part of designing the system.

Mr. Vobora noted that EmX was the solution to congestion as it moved the bus out of traffic and allowed it to keep moving and make connections. He said that "streamlining" the system meant that the goal was to achieve the highest productivity for the resources available.

**ADJOURNMENT** – The meeting adjourned at 7:20 p.m.

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Board Secretary

**MINUTES OF DIRECTORS' MEETING**  
**LANE TRANSIT DISTRICT**  
**REGULAR BOARD MEETING WORK SESSION**

Wednesday, February 20, 2008

Pursuant to notice given to *The Register-Guard* for publication on February 14, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, February 20, 2008, beginning at 5:35 p.m. in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Gerry Gaydos, President, presiding  
Mike Eyster, Vice President  
Dean Kortge, Secretary  
Michael Dubick  
Greg Evans  
Ed Necker  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board  
Karenlee Atkin, Minutes Transcription

Absent: Debbie Davis, Treasurer

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the meeting of the Lane Transit District (LTD) Board of Directors to order at 5:35 p.m. and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos welcomed the new Board member for Subdistrict 4, Mr. Ed Necker, and thanked him for attending the March 11 meeting, saying that the Board was looking forward to working with Mr. Necker as a member of the Board.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – None.

**BOARD CALENDARS** – Mr. Gaydos and Acting General Manager Stefano Viggiano were scheduled to be in Washington, D.C., for the United Front meetings from February 29 through March 3, 2008. Mr. Evans and Mr. Pangborn would be attending the American Public Transportation Association's Legislative Conference on February 8-11. The second public hearing on service was scheduled for March 10 in the Eugene library. The Springfield City Council meeting on February 19 was extended to its meeting on March 10, as not all issues were resolved. Mr. Viggiano would attend that meeting to continue discussions on unresolved issues regarding Pioneer Parkway. Mr. Gaydos suggested that either Mr. Eyster or Ms. Davis should also attend the Springfield meeting. The joint LTD Board/Springfield City Council was scheduled for February 25. Pioneer Parkway issues would not be discussed at that meeting.

## **WORK SESSION**

**2007 Rider Survey Presentation** – Mr. Gaydos welcomed Ms. Selena Barlow of Transit Marketing, LLC. Ms. Barlow has conducted rider surveys for LTD in the past (1999 and 2004), and was present to report on her most recent survey, conducted in October 2007.

Ms. Barlow said she would not go through the entire report, but rather would present an abbreviated version. She explained the methodology of the survey, and said that her team of trained surveyors did about 540 hours of surveying, with over-sampling on routes 30, 31, and 43, because of planning issues coming up on these three routes. They surveyed over the course of five days, distributing over 9,000 questionnaires, of which 7,794 (or about 85 percent) were returned. About 900 of these were riders encountered on more than one trip. She said she would be focusing on a sample of 6,800+ unduplicated responses for this presentation, and that a sample of this size had a margin of error of just over 1 percent. She added that 1.3 percent of the surveys were completed in Spanish.

Ms. Barlow, using a PowerPoint presentation, explained that the analysis of this data involved three components. The first was the summary analysis of the unduplicated responses, which was the basis of her presentation. The second was the raw data, which included geo-coding maps to look at origin-destination pairs. The third was a route-by-route analysis for planning.

Ms. Barlow summarized her presentation, highlighting these findings:

- LTD had a large segment of riders who rely on transit.
- LTD's ridership was younger and had a lower income than the overall population (fairly typical).
- The vast majority of riders were either employed or students or both.
- The vast majority of riders were primarily making commute trips.
- LTD had a large impact on the economics of the Eugene-Springfield area.
- Over 60 percent of LTD riders were choosing transit, as opposed to being dependent upon transit.
- Riders chose LTD over other forms of transit to save money, because no other transportation was available, and/or because someone else was paying their fares.
- Satisfaction had increased since the last survey.
- The most desired service improvements were later evening service and increased service on weekends.
- Pre-paid payment was prevalent; only 15 percent were paying cash.

Service Planning, Accessibility, and Marketing Director Andy Vobora said that "cash fares" also included day passes, which made the actual cash-paying ridership about 21 percent, still less than half that of other transit systems. He stated that LTD's efforts to increase the number of prepaid fares had been very effective.

Mr. Pangborn asked if there was anything that distinguished LTD from other similar systems. Ms. Barlow replied that LTD's long history with the University of Oregon (UO) was special, adding that LTD had captured the market of college students and young working people by making the system convenient and reliable. Mr. Vobora stated that LTD also had a higher-than-average number of "choice" riders (those who are not transit-dependent).

## **West Eugene EmX Extension Project**

Director of Planning and Development Tom Schwetz presented an update on the West Eugene EmX Extension Project. He said that in March, the Board would be asked to decide

on which screening alternatives should be carried forward into the next part of the process, which would be a much more intensive analysis.

Mr. Schwetz reviewed key meeting dates, including the January 29 meeting of the Corridor Committee, coordinated with the Federal Transit Administration (FTA), which kicked off a discussion of the screening process. The next Corridor Committee was scheduled for the following day, February 21. Consultants were scheduled to present a draft screening findings report during the week of February 25, followed by continued coordination with the FTA and another Corridor Committee meeting on March 3, leading into the next evening when staff would meet with the EmX Steering Committee and ask them to make a recommendation to the Board. On March 19, the Board would be asked to review a draft final range of alternatives, and to consider the findings report, comments received in scoping, and all of the information funneling down to this decision. Final concurrence with the FTA was expected in late March and early April, and would lead into the alternatives analysis and draft environmental impact statement process. During this phase, several alternatives would be considered in detail, including detailed public comment, which would lead to a selection of preferred alternatives in approximately one year.

Mr. Schwetz said that the Purpose and Needs Statement approved by the Board in December 2007 served to determine criterion measures for the screening process. Because this process was preliminary in nature, there was not yet good information the engineering specifics for any of the alternatives. Therefore, new information could cause consideration of other alternatives at a later date. He stated that alternatives would be dismissed if they did not meet the project's Purpose and Needs Statement

Mr. Schwetz said that his team was developing a screening report that would explain in detail how the conceptual alternatives were generated, what the criterion measures were, and how those criterion measures would be applied to the screening process. The report would document the outcome of each phase of screening – both the rationale for keeping alternatives, and how other alternatives were eliminated from further consideration. The first level of screening was to determine whether an alternative would meet the purpose and need that had been established. The second level would use more specific criteria, based on the goals and objectives that were adopted, and the criterion measures approved by the FTA.

Mr. Schwetz then handed out maps of the alternatives being considered.

Mr. Gaydos stated that he would not be able to attend any of the meetings outlined by Mr. Schwetz at the beginning of his presentation. Mr. Kortge and Mr. Evans planned to attend the February 21 meeting.

Mr. Gaydos closed the work session and convened the regular meeting at 6:34 p.m.

**EMPLOYEE OF THE MONTH** – The Board recognized Operations Supervisor Rick Thompson, as March Employee of the Month. Director of Transit Operations Mark Johnson said that Mr. Thompson had been an Operations supervisor since 2005, and had started at LTD as an operator in 2001. He was nominated by a co-worker, who appreciated Mr. Thompson's commitment to LTD and to the operators. Mr. Gaydos thanked Mr. Thompson for his service to LTD and presented him with a certificate of appreciation, a check, and a pin commemorating the award.

Mr. Thompson said that he appreciated everyone with whom he worked. He believed that LTD was a great organization, and he was proud of what LTD did for the greater community.

He noted that LTD's policy of hiring from within contributed to the feeling of "family." He thanked the Board for the award, saying it was a great honor.

## AUDIENCE PARTICIPATION

**Pauline Huston**, of 1025 Taylor Street, Eugene, read a prepared statement about LTD comments made at the January 29 Corridor Committee meeting, as follows:

Mr. Schwetz stated that LTD is the sole decider on the location of future BRTs in the city. This is not the case, and I quote from your memo dated 10/25/07 sent to Mayor Piercy from Angela Jones, then City Manager Pro Tem. 'Approval by the City Council and the LTD Board is a pre-requisite to the development of future BRT corridors in the city.' In addition, Section 7 of the intergovernmental agreement requires approval of both LTD and Eugene. If the two entities disagree, then the project cannot go forward.

Ms. Huston handed out copies of the memorandum, and left the meeting, not waiting for a response.

Mr. Schwetz clarified that he had actually said that the screening process, not the final determination of where things would be built, was the responsibility of LTD. The final determination was, indeed, a local decision by both the Eugene City Council and LTD Board. He added that, because the screening process leads to a resource-management decision, the FTA would make that final determination.

## ITEMS FOR ACTION AT THIS MEETING

**MOTION Consent Calendar** – Mr. Eyster moved adoption of LTD Resolution 2008-004: It is hereby resolved that the Consent Calendar for February 20, 2008, is approved as presented. Mr. Evans provided the second. The Consent Calendar consisted of approval of the minutes of the January 16, 2008, Regular Board Meeting.

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

**MOTION LTD Road Map – Strategic Plan** – Mr. Kortge moved approval of LTD Resolution 2008-006: "It is hereby resolved that the LTD Board of Directors approves the February 2008 *LTD Road Map*". Mr. Evans provided the second.

The discussion was led by Mr. Viggiano, who stated that the strategic plan was updated every year. In the current year, staff had added a "Brand Plan" and LTD's 10 Valued Competencies, as well as a goal reflecting these additions. Staff also recommended that the strategic plan be called *The LTD Road Map*.

The *LTD Road Map* included Performance Objectives, Short-Term Strategies, and Long-Term Strategies for each Goal. *The LTD Road Map* would be updated each year, and performance objectives would be reviewed.



In response to Mr. Necker's question, Mr. Viggiano confirmed that the materials that were mailed to the Board contained all of the recommended changes to *The LTD Road Map*.

VOTE     *The LTD Road Map* was approved as follows:  
          AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
          NAYS: None  
          ABSTENTIONS: None  
          EXCUSED: Davis (1)

## ITEMS FOR INFORMATION AT THIS MEETING

### Board Member Reports:

Board Finance Committee – Mr. Kortge said that staff had prepared a revised Capital Improvements Program, which included some assumptions about the payroll tax, large planned projects, an increase in accessible service needs, and an increase in fuel costs. Director of Finance and Information Technology Diane Hellekson said that the Finance Committee would be considering both the Capital Improvements Program and the Long-Range Financial Plan at the March meeting. There were issues associated primarily with the Long-range Financial Plan that would have an impact on future service. She explained that the Board Finance Committee had reviewed a staff proposal of a balanced Long-range Financial Plan, which allowed the addition of services. Ms. Hellekson noted that there could be a negative impact on service in the future if any of the assumptions changed in the wrong direction. If increasing costs of accessible services could not be controlled, the fixed-route service might need to be decreased in order to fund additional accessible service. Ms. Hellekson handed out materials, saying that they would be presented and discussed at the March meeting.

Board Service Committee – Mr. Evans said that the Board Service Committee had met earlier in the day, spending most of their time on the route review, considering all of the changes recommended by staff after the initial public hearing on February 11. The Committee was feeling more cautious about service additions due to the changing economy. Part of the issue was that LTD had come through a period of great success, but it could become more difficult to support the same level of service. Mr. Dubick said that route productivity must be the main criterion by which service decisions are made. The final decision was scheduled to be made at the March 19 meeting of the Board, following a second public hearing on March 10. Staff and the Service Committee asked for a little more direction from the Board.

Mr. Vobora handed out copies of the "Annual Route Review 2008 Service Change Summary for FY 08-09." He said that the Committee considered the three separate service categories: (1) adding service to River Bend, which was critical in order to support the opening of the new hospital, and adjusting route 12, which had been running over capacity; (2) setting aside funds for contingencies and deleting unproductive trips, such as those on routes 3x and 7x, and the Saturday trips on route 28; and (3) possibly adding service and more direct routing on the Veneta and Junction City routes, which currently were not meeting rural-community productivity standards. Mr. Dubick added that it also would be necessary to address the overcrowding situation on route 78.

Mr. Evans expressed concern about cutting service around the reservoir, saying that it was important to keep the issue of transit dependency in mind in addition to considering route productivity. Mr. Vobora stated that staff had reviewed these concerns when they were brought up in the public hearing. They had considering reducing the route to "lifeline" trips—

one in the morning, one in the evening—for those who commute, but that would not address any of the midday needs. The route could either remain the same, providing about 84 miles of service for about 12-15 boardings, or make a clean break by providing more direct service to and from Veneta, which had a bigger population base, and also had transit-dependent needs. He added that this was a very difficult decision to make.

Mr. Kortge stated that he was very hesitant to vote for any expansion at that time, other than RiverBend, saying that the current financial climate could require cuts in the near future, and he would not want to add a service only to have it removed should cuts be required.

Mr. Necker stated that he believed the fiscal impact of any changes must be balanced with the personal side. He was concerned that staff had stated at the community hearing that if any services would be cut, others would be added. Mr. Vobora said that had been the recommendation of the staff at that time, but that was before learning of the long-range financial plan information presented earlier in the evening. Mr. Necker stated that testimony at the hearing was almost entirely in opposition to the changes. Mr. Vobora agreed, but added that he was surprised that no one from the City of Veneta, City of Junction City, or either Chamber of Commerce had not offered any positive comments at the hearing, since they had all heard about these changes and had expressed agreement with them prior to the hearing. Mr. Necker confirmed with Mr. Vobora that no decision would be made until after the March hearing.

Mr. Eyster also expressed concern about the proposed changes. He said that he had come to expect “miracles” from the staff, and had hoped a miracle could be created to resolve this dilemma. He stated that this Board had made decisions in the past that were based on rider-need, and not necessarily on productivity. However, he said that he had become persuaded that cuts would need to be made somewhere, and therefore the question of productivity became even more important.

Mr. Evans stated that he understood Mr. Eyster’s position, but believed that service should have been increased around the reservoir based on the growth in Elmira and the other surrounding communities.

Mr. Vobora agreed that the route between Veneta and Eugene had seen significant growth. He added that staff were confident that the two recommended trips would meet the standards

Mr. Dubick said that it was very difficult to maintain a trip that was considerably below LTD’s standards, while at the same time denying new service for so many other deserving areas.

Mr. Gaydos requested that staff prepare a memo defining the rationale for the belief that cuts to service might be required in the next year or two. Mr. Vobora said that it was more a matter of reviewing the productivity of all routes should a cut be required. Mr. Dubick reiterated that it was important that LTD add only services that were most likely to increase the productivity of the route. Mr. Pangborn cautioned that new service often takes time to mature; it was possible that the productivity of new service might not be determined in only a few months.

Service Planning Manager Will Mueller stated that he believed a year and a half of history would be enough for staff to feel comfortable making a call about the productivity of a new service. He went on to say that in order for staff to be able to present actual recommendations at the next hearing, they would need a clear sense of the Board’s direction.

Mr. Gaydos expressed the opinion that the suggested changes would be productive. Mr. Eyster asked if the Board was in agreement about the need to add the 78 route and the

two runs on route 93, in addition to the new RiverBend route, and that the route around the reservoir should be cut. Everyone agreed, and no dissenting opinion was expressed.

APTA Board Report – Mr. Evans reported on the APTA conference he attended in Orlando, Florida, on January 25. The Authorization Task Force was using the name “GREENTEA,” to reflect sustainability concerns, for the title for the reauthorization of SAFETEA-LU. He said that the Task Force would be asking Congress for operational funds to assist transit districts around the country. There were major capacity issues; increasing demands for service; and an inability to meet those demands based on fuel costs, labor costs, and other considerations. There was a need to fund paratransit service, which would be in higher demand due to the aging population. He added that there was a lot of uncertainty for the 2009 transportation funding request, because only one of the front-running candidates for president of the United States, Senator McCain, had a transportation agenda, and it dealt exclusively with Amtrak.

Mr. Evans said that he had participated in a conference call on February 19 with transit board members across the country, adding that discussions would continue during the trip to Washington, D.C., in March, where he also would be meeting with the new authorization committee to craft the agenda that would go before Congress.

Mr. Viggiano said that the schedule to include the APTA recommendation in the authorization bill was very compressed. In order to have a decision by October 2008, there would be a series of meetings and fairly intense discussions in the coming months.

Mr. Evans added that the committee also was talking about carbon tax credits and a variety of other methods to maximize both financial and infrastructure resources.

Mr. Necker stated that paratransit received special transportation funds based on the state cigarette tax. While there were no extra funds in the 2007 session or in the 2008 supplemental session, it was likely that funds might increase for the 2009 session. He said that LTD should maintain its advocacy where appropriate because of this possibility for more funding.

Mr. Viggiano stated that there probably was a much better chance for state funding than federal funding, though both should be pursued.

Mr. Eyster asked if the reason the presidential candidates had no agenda regarding transportation was that they did not have enough information to establish a position. Mr. Evans replied that part of APTA’s agenda would be increase the profile of the industry as a whole and to be more aggressive about articulating transit’s message.

Mr. Viggiano offered the opinion that, based on the known history with each of the main presidential candidates, it can be expected that Senator McCain will continue to advocate for a reduced federal role in transportation, in addition to being against earmarks. Senator Clinton has been a strong advocate for public transportation, and the expectation was that Senator Obama also would be an advocate for public transportation.

**Government Ethics** – Mr. Viggiano introduced Chris Schultz from the Ulum Group, who informed the Board that the new Government Ethics law that had been passed by the state legislature in 2007 had significant changes that would affect the LTD Board. The new law applied not only to members of the Legislature, but also to members of the LTD Board and all local governments. He said that LTD was in an interesting position because Board members were public officials who could be influenced, while LTD also was trying to influence state

representatives. Therefore, LTD had to be aware of the new law from “both sides of the table.”

Mr. Schultz said that there were three things in the Government Ethics Commission’s memo that should be especially highlighted. First, there were new quarterly reporting requirements. The Statement of Economic Interest that was filed annually would now be required on a quarterly basis. Mr. Pangborn said that staff would ensure that Board members had the forms they needed when they needed them, with timely reminders for when they needed to be completed and sent in.

Second, there was a new \$50-per-annum gift limit. This limit applied not only to Board members, but also to members of their families. Meals counted as gifts, so when Board members attended conferences or had meals with vendors, it would be important that LTD pay for these meals, which were a legitimate business expense. Mr. Schultz strongly urged Board members to keep very careful records of any meals or other gifts.

Mr. Eyster asked if campaign contributions made as a private citizen would fall under the aegis of this new law. Mr. Schultz said that a candidate could not accept a \$51 meal, but could accept campaign contributions in any amount.

Mr. Schultz added that anytime a Board member was invited to an event due to his or her position with LTD, and for which the public would have to pay admission, it was likely that this would fall into the category of a gift, and therefore must have an aggregate value of less than \$50 per year.

The third item was that gifts of entertainment were banned entirely. Mr. Schultz said that a lawsuit was currently pending on this aspect of the new law because people could be “tripped up” inadvertently, since the record-keeping requirements were unclear. Until this was resolved, he strongly recommended that LTD Board members and staff always pay for themselves for any event or meal.

Mr. Schultz ended by saying that the Government Ethics Commission would answer questions by telephone. He encouraged Board members to contact the Commission with any concerns.

**Springfield City Council/LTD Board Joint Meeting** – Mr. Viggiano said that the February 25 joint meeting of the Springfield City Council and Board would begin at 6:00 p.m., and that a light dinner would be served beginning at 5:30 p.m. The agenda included an overview of current ridership, with a focus on Springfield; a comparison with other transit districts; a review of the free-fare analysis; a review of the rail study; and an overview of how service in Springfield would be affected by the Pioneer Parkway EmX. The meeting would then review options for Franklin Boulevard through Glenwood. When the Franklin EmX was developed, the investment in Glenwood was minimized, with the idea that the street eventually would be redeveloped with double lanes. Mr. Viggiano was pleased to report that the stakeholder group for the project had recommended a very innovative design for Glenwood that included double EmX lanes in the middle of the street. The overall right-of-way would be almost twice as wide as the current street. The design accomplishes a long-term vision for that corridor in support of redevelopment. The design was scheduled to be reviewed by the City Council on March 10. The joint meeting presented an opportunity for Board members to encourage Council members to support the EmX lane as part of the eventual design. Mr. Viggiano referred to a “talking points” document, which included many of the reasons that the EmX lanes made sense.

**Pioneer Parkway EmX** – The Pioneer Parkway EmX Project was being reviewed by the City of Springfield. Staff presented 30 percent design drawings to Springfield on February 4, thinking they could be worked through in one session. To date, there had been two full working sessions, and a third one was scheduled. The project was moving forward. Mr. Viggiano handed out a report describing the pending design issues. The most significant issue was property owner concerns. It appeared that a few of the property owners on International Way did not support EmX as a concept, and seemed to be concerned about allocating two lanes for EmX, when future traffic might require more lanes for automobiles. The issue had not been resolved. It was expected that the Council would be reluctant to move forward until that issue was resolved, which staff hoped would occur prior to March 10.

Mr. Gaydos encouraged Mr. Viggiano to show the Council some of the Origin & Destination study results, both for the EmX route, and showing that Springfield residents were using transit more frequently.

Mr. Viggiano stated that another minor issue had to do with the station location on Harlow Road.

Mr. Gaydos said that the Springfield Station had been a real benefit to the community.

**Fare Free Service Analysis** – Mr. Gaydos congratulated Mr. Vobora on his analysis of fare-free service, saying it was very helpful, and that it should be discussed more in the broader community and within the Eugene City Council.

Mr. Vobora had researched and assembled a report showing the operational and financial impact of a fare-free system on the District. The report showed what some of the cost savings would be, and described places where a fare-free system had been successful, and what aspects in those communities had made them successful. Ultimately, the report showed that a fare-free system would not work in the Eugene-Springfield community today, due to the loss of \$5 million in revenues at a time when the system already was overtaxed and in need of more service. Mr. Pangborn said that if there were any extra funds available, they should be used to get more people on the bus and provide more services.

Mr. Kortge said that the report was excellent, and that it was important for people to understand that the Board had grappled with finding a balance on the issue of fares, and had taken the philosophical position that some payment was required.

Mr. Vobora said that the report would be shared with the Springfield City Council at the joint meeting. He suggested that it also be included on the LTD website in the reports and publications section.

**Rail Systems Analysis** – Mr. Schwetz handed out a rail systems analysis that had been sent to the Eugene City Council in response to their request that LTD review these options. There has been some confusion in the media and elsewhere about what each mode of transit entailed, including light rail, street cars, and bus rapid transit (BRT). The analysis clearly showed the distinctions among these transit modes, including an estimated cost per mile for installation. Mr. Schwetz pointed out that the report showed that bus rapid transit, at \$3 million to \$25 million per mile, had the lowest cost among the high-capacity rapid transit options. He called the Board's attention to a table comparing various streetcar lines in the country, and another comparing light-rail lines.

Mr. Schwetz said that bus rapid transit was a good fit for the community and helped set the stage for potential light rail in the future.

Mr. Evans expressed frustration that the issue of BRT was being rehashed. He said that the reality was that about eight to ten years ago LTD and the community went through a process and agreed on BRT as the preferred mode. One line had been built, another was in progress, and a third was being discussed. He thought the City Council and the public should be reminded why LTD, the Metropolitan Policy Committee (MPC), and TransPlan took this direction with bus rapid transit.

Mr. Schwetz stated that in the Findings report, staff talked with the Federal Transit Administration (FTA) about this issue. The FTA needed to have LTD verify the validity of the arguments, so that had been done in the report.

Mr. Eyster asked about a possible newspaper story to reiterate that the decision was made by the community years ago and was still a good decision. Mr. Vobora said that staff had discussed some sort of outreach effort after first talking with the city councilors who raised the issue.

Mr. Gaydos commented that both of these issues had been well researched and were easy to read. He thanked the staff for the reports.

**Monthly Financial Report** – Ms. Hellekson stated that payroll tax receipts were pretty good, but that there were serious problems with fuel costs that would require a supplemental budget at the end of the fiscal year. Also, staff would be bringing a supplemental budget to the Board in March because the Medicare Brokerage was coming on line sooner than expected. She said that the good news was that the State in-lieu-of-payroll tax money had been found, although LTD had not yet received it. Finally, she reported that LTD would be undergoing a federal triennial review. The Board would not be involved, but would receive a report after the review was completed.

#### **ADJOURNMENT**

Mr. Gaydos thanked Mr. Necker for his first meeting as a Board member, and then adjourned the meeting at 7:55 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/WORK SESSION  
WITH SPRINGFIELD CITY COUNCIL

Monday, February 25, 2008

Pursuant to notice given to *The Register-Guard* for publication on February 21, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting/joint work session with the Springfield City Council on Monday, February 25, 2008, beginning at 6 p.m., in the Library Meeting Room at Springfield City Hall, 225 Fifth Street, Springfield.

Present: Gerry Gaydos, President, presiding  
Dean Kortge, Vice President  
Debbie Davis, Treasurer  
Mike Dubick  
Mike Eyster, Vice President  
Greg Evans  
Ed Necker  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board  
Amy Sowa, Springfield City Recorder/Minutes Recorder

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MINUTES OF THE WORK SESSION MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, FEBRUARY 25, 2008

ATTENDANCE

Present were Mayor Leiken and Councilors Lundberg, Wylie, Ballew, and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Attorney Matt Cox, City Attorney Bill Van Vactor, City Recorder Amy Sowa and members of the staff.

Councilors Ralston and Woodrow were absent (excused).

1. Lane Transit District (LTD) Discussion.

Mayor Leiken welcomed the LTD Board. He asked that both the Board and City Council members introduce themselves. Those in attendance from the LTD Board were LTD Board President Gerry Gaydos and members Mike Eyster, Greg Evans, Ed Necker, Dean Kortge, Debbie Davis, and Mike Dubick.

Mr. Gaydos called the LTD portion of the meeting to order at 6:10 p.m. All members were present.

Mr. Grimaldi reviewed the agenda for the meeting.

Mark Pangborn, General Manager of LTD, said the City Council and LTD Board had met jointly about once a year for a number of years because there were so many services to the community that intersected.

Mr. Pangborn presented a power point presentation. He talked about where LTD was now. He provided a service overview: the bus, RideSource, event shuttles, EmX, Commuter Solutions, and the Breeze. He referred to a graph in the power point regarding ridership, service and service area population. The population in our community was using the bus more and more for their transportation needs. He further discussed the graph and explained some of the trends and reasons for increased ridership.

Councilor Pishioneri asked when the high school free ridership program started.

Mr. Pangborn said it had been in place for about three years. It was started with a sample of just a few high schools and was expanded to offering to all middle and high schools. That did have a significant impact in ridership numbers. He also noted that Lane Community College (LCC) started a group pass this last year.

Mr. Pangborn continued his presentation by discussing the comparisons LTD had made with their service and other cities. He noted the cities used for this comparison and discussed the areas of comparison, which included: boardings per service hour; boardings per capita; cost per boarding; cost per service hour; cash fare comparison; and fare recovery.

Councilor Ballew asked about the boarding per service hour figure.

Mr. Pangborn said the figure was the number of riders per hour per bus.

Councilor Ralston asked about a figure on the chart and asked if the difference was a subsidy.

Mr. Pangborn said that was correct, it was a payroll tax subsidy. They did have some advertising revenues, but seventy-five percent of their operating revenue came from payroll taxes. Tri-Met and LTD were the only two transit districts in the State that operate from payroll taxes.

Mr. Pangborn said LTD conducted a survey of riders in 2007 to find out why people were riding the bus. He explained the results of that survey. It included information on why people rode the bus (no vehicle, shared vehicle, economic reasons) and also how they paid for the bus fare (cash, group pass from employer, student pass). He discussed the EmX and noted that only nine percent of those riding the EmX were riding for free.

Councilor Ralston asked if they thought people didn't know EmX was free.

Mr. Pangborn explained why many people choose not to ride even if it was free. There were a number of people, however, that were trying the EmX and finding it very convenient.



Councilor Ballew asked what percentage of total ridership was using EmX.

Stefano Viggiano, Assistant General Manager of LTD, said about fifteen percent.

Tom Schwetz, Director of Development Services at LTD, discussed the Fare-Free Service at LTD (attachment B, page 13 in the agenda packet). He said the Metropolitan Policy Committee (MPC) had encouraged LTD to consider implementation of fare-free service. He gave an overview of the financial and operational impacts. With the group pass program, student transit pass program, and those under 5 and over 70 years old riding for free, about 49 percent of the people in the community had access to the system without paying a fare. On the cost side, the biggest concern would be a loss of about \$5 million in revenue. That would need to be made up in some other way, such as cutting 20 – 25 percent of the service. Another issue was the RideSource service. RideSource was a mandated American with Disabilities Act (ADA) service that was required to be complementary to the existing service. If not charging on the regular service, they could not charge on the RideSource service, which was the most costly service. There were constraints to moving toward a free-fare system, and LTD felt they were currently in a good position with the number of riders that already rode for free. He asked if Council had any questions.

Councilor Ballew asked if they would get an additional \$5M in revenue if they did away with all of the free ridership. That could allow them to decrease rates across the board.

Mr. Schwetz said that most of the riders in the 'free' category were actually those that had a group pass. The group pass was paid by the employer, so was not actually free.

It was noted that 49 percent of the population were in that category, not 49 percent of the riders.

Councilor Ballew asked about the elderly riders.

Mr. Pangborn said many elderly people rode the bus, but not very frequently. He noted that people over 70 years old could receive a free pass by showing photo ID, but many didn't use the pass. LTD was considering lowering the age for that pass to 65 years old. The whole community was paying for transit service so they were trying to market it for the community.

Councilor Ralston asked about 49 percent figure.

Mr. Schwetz said 49 percent of the population in the district held a group pass, a student transit pass or ride for free pass because of their age. He said they had the pass, but may not use it.

Mr. Dubick said one of the reasons they were considering lowering the age to 65 was to get people comfortable using the regular bus service because it was less expensive to operate than RideSource. They were currently taking money from the General Fund to help fund RideSource. RideSource was mandated by the Federal Government through the ADA, but was not federally funded. Some cigarette tax funds were provided for this program.

Mr. Schwetz spoke regarding Applicability of Rail in the Eugene-Springfield Metropolitan Area (attachment B, page 21 in the agenda packet). He said the information in the agenda packet described the cost per mile for construction of various modes of rail. There was some interest in looking at rail in the future. The attached table gave a good comparison of various street car and light rail systems across the country and included the EmX system. The EmX did quite well in the performance measures related to annual cost per boarding and annual boardings per route mile.

Mr. Pangborn said people often asked why LTD didn't put in light rail rather than EmX. He said light rail was ten times more expensive and was not needed in this area at this time.

Mr. Viggiano discussed Springfield service. He referred to a chart showing boardings by route. He noted the number of ridership on the Springfield routes. Springfield services were some of LTD's most productive offered. He referred to a map in the power point presentation that showed boardings by location. He noted the number of boardings at the Springfield station on South A Street. The downtown Eugene station was the hub of the bus service and served a very large volume. Secondary hubs had been formed, such as the one in downtown Springfield, which was growing all the time. He discussed the upcoming change to the Gateway route for 2008 that would include International Way and the anticipated ridership growth that would occur in that area. The frequency would increase from 30 minutes to 20 minutes during the afternoon. Because the RiverBend Hospital was scheduled to be open this summer, there was an interim route strategy for the next two years until the EmX was finished. He explained the route.

Mr. Pangborn said there were several buses that made that route.

Mr. Viggiano said Symantec was not currently on the route, but would be on the new route. Many businesses along this route currently provided group passes and would now be served with the new route. He noted that the next big change would be in 2010 when they implemented the Pioneer Parkway EmX. He described the process they would use to determine those changes, and whether or not to use connector routes. He discussed the current routes in Springfield and noted some areas that could receive additional service in the future.

Councilor Woodrow asked if consideration had been given to an EmX line out to the Thurston Station, up Highway 126 and back to Pioneer Parkway.

Mr. Viggiano said they hoped eventually to have an EmX route that went out to Thurston and back to west Eugene. In 2001, it was decided that Gateway service was a higher priority due to the large amount of growth in that area.

Mayor Leiken discussed parking in the downtown. He asked if LTD would be interested in working with the City to look at putting in a parking structure or garage. It would be beneficial to both the City and LTD, especially once the EmX line was in place and going out to Gateway. He hoped the LTD Board would consider this partnership for the future. Urban Renewal could play a part in this as well.

Mr. Necker asked if a parking garage adjacent to Springfield Station would be a good location.

Mayor Leiken said he didn't know, but that could be a starting point. Other areas could be considered as well with input from citizens.

Mr. Evans said the Board had held conversations about a long-range vision for their Park and Ride system and increasing the parking capacity around that. As EmX and the system grew, that could happen at some point. Currently, they were maxed out, but they would consider that partnership in the future. LTD was looking at public and private partnership to increase capacity around Park and Ride locations and structures.

Councilor Wylie said during her time on the LTD Board she learned that a good transit district was not trying to get people to get rid of their car, but was a partnership and part of the whole transportation picture. The Park and Ride was part of that partnership.

Mayor Leiken asked if LTD had an expectation from the City to have a role at looking at service providing areas.

Mr. Pangborn referred to a chart showing the Springfield Outreach schedule which listed Springfield neighborhood meeting, community groups, City staff, and Council from fall of 2008 through fall of 2009. LTD would like strong participation with the entire structure of the City. Because it involved service to Springfield citizens, they expected it to be a partnership in planning.

Mr. Mel Barnes, a Springfield resident, spoke from the audience. He said he took groups from the Senior Center to the Springfield Station to teach them how to ride the bus and the EmX. There were a lot of people that didn't have bus service to their neighborhoods or near their homes, especially off of Jasper Road. He also had people ask him where they could catch a bus and he had to tell them there was not a bus route there.

Mr. Gaydos said local match was very important. Creative ideas were needed to find revenue.

Mr. Pangborn said Mr. Barnes had worked hard to help find appropriate routes.

Mr. Schwetz spoke regarding the Franklin Boulevard Project (attachment C, page 1 in the agenda packet). Mr. Schwetz said the documents included in this packet were the same as those that were going to Washington DC for the United Front trip. It described a project that went from the Courthouse in downtown Eugene to the Springfield bridges. The City had been conducting a stakeholder outreach in the Glenwood area. The concept for that corridor had not yet been presented to Council, so he just wanted to highlight this project was in progress.

Councilor Ballew asked where Federal financing came from that went to LTD.

Mr. Schwetz said the general FTA funding was part of the Transportation Trust Fund. Gas tax and other funding sources were also provided.

Mr. Pangborn said about 80-85 percent of the Federal funding was from a Federal gas tax, and the remaining 15 percent was General Fund money. President Bush's proposed budget to Congress included a cut in some funding for both highways and transit.

Mayor Leiken said Council had a lot of interest in the Franklin corridor. That project was one the City and LTD would need to continue to work on together, especially regarding the alignment of Franklin Boulevard.

Mr. Necker said the Board knew Glenwood was soon to be in process, and they wanted to be sure to include transit as an important part of that redevelopment.

Mr. Dubick said he attended the open house held at Roaring Rapids and felt that the preliminary concept he saw there was very impressive.

Mr. Viggiano said the Pioneer Parkway EmX item was put on the agenda a couple of weeks ago, but LTD and the City Council were still in the middle of those discussions, so it would not be productive to go into details of the design at this time. He suggested instead that the agenda proceed to the update on the Gateway Station.

Charlie Simmons, Facilities Services Manager with LTD, spoke on the Gateway Station. He said LTD approached Gateway management a few years ago about moving the location of the Gateway station. The mall did not understand why the station needed to be moved at first. Mr. Simmons explained that it was important to move the station out where there could be faster service for the EmX and still serve the Gateway Mall. Also, getting through the parking lot to and from the existing Gateway Station was a real challenge. He showed the proposed location for the station. This station would serve both regular service as well as EmX service. There would be two bays for each route for both directions.

Mr. Simmons said it was also important to LTD how the platform would work. They would reduce the lanes on the road around the mall and put in a covered crosswalk from the station to the mall. The fewer lanes provided a calming of traffic in that area. He referred to the diagram showing the walk connections from the neighborhoods. The covered walkway was proposed to be transparent to allow a view of the mall and General Growth (the management of the mall) had begun to embrace that design. LTD would go out to bid in March and hoped for construction to begin in late spring or early summer, with the facility ready for the holidays. It was currently at 70 percent design with a budget of about \$1.6M for construction.

Councilor Lundberg asked what they considered the holiday season.

Mr. Simmons said early to mid-November. If the project was not complete by then, they would stop the construction and wait until the end of January to finish the project. The current site would go back to parking once the new station was complete. He felt it was a win-win for the mall and LTD. This project was part of the Connect Oregon grant.

Councilor Pishioneri asked how much funding was devoted to lighting.

Mr. Simmons said he believed it was about \$86,000.

Councilor Pishioneri asked how effective that covered walkway would be in protecting pedestrians with wind blowing through.

Mr. Simmons said General Growth didn't want a covered walkway that would block the visibility of their front entrance. The cover protected against rain and sun. The number of

days there was heavy wind and rain was fairly minimal, and this cover should provide a pretty high level of shelter area.

Mr. Pangborn said one complaint before EmX was put into service was that people thought the station shelters would be too high to offer protection from the weather. Now that they have been built, there were no complaints about people not being protected.

Mr. Simmons said when there were vertical surfaces that blocked visibility, there were vandalism and security issues. The walkway being open was a good compromise.

ADJOURNMENT

The LTD Board adjourned at 7:08 p.m.



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Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/WORK SESSION/PUBLIC HEARING

Monday, March 10, 2008

Pursuant to notice given to *The Register-Guard* for publication on February 7, and March 9, 2008, 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, March 10, 2008, beginning at 5:30 p.m., in the Bascom-Tykeson Room of the Eugene Public Library, 100 West 10th Avenue, Eugene, Oregon.

Present: Gerry Gaydos, President, presiding  
Michael Dubick  
Dean Kortge, Secretary  
Ed Necker  
Stefano Viggiano, Acting General Manager  
Jo Sullivan, Clerk of the Board  
Linda Henry, Minutes Recorder

Absent: Debbie Davis, Treasurer  
Greg Evans  
Mike Eyster, Vice President

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the meeting to order and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos thanked everyone for attending the public hearings and asked them to be cognizant of the three-minute limit for testifying during the two public hearings.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were no announcements or additions to the agenda.

**PUBLIC HEARING ON FY 2008-09 FARE RECOMMENDATIONS** – Director of Service Planning, Accessibility, and Marketing Andy Vobora reviewed the pricing proposal summary for 2008-09. He reviewed the public outreach efforts, and distributed a 48-page document entitled *Annual Route Review 2007-08 Public Comment Summary*. The Board was scheduled to take action on March 19, 2008, on the FY 2008-08 Pricing Plan and service changes. Fare changes were done by ordinance and would require two readings of the ordinance on April 16 and May 21, 2008. Phase 1 route changes would become effective on June 15, while the majority of pricing changes would be implemented on July 1. The Phase 2 service changes would be implemented on September 21.

Mr. Vobora said there were no changes to the Pricing Plan from the last public hearing. The proposal was to increase the cash fare from \$1.25 to \$1.50; the last increase occurred in 2001. The cash fare change would affect other fares, increasing the Day Pass price from \$2.50 to \$3.00 and the RideSource Fare from \$2.50 per trip to \$3.00 per trip. The Group Pass rates would increase by 8.8 percent on January 1, 2009. Staff recommended lowering the Honored Rider age from age 70 to age 65, and raising the senior fare age from age 62 to age 65, and phasing the

implementation over a three-year period. The holiday taxi reimbursement would increase from \$10.00 to \$20.00.

**Public Hearing on Fares:** Mr. Gaydos opened the public hearing and called for testimony.

**Zachary Vishanoff**, Eugene, stated that there were better options for saving money than increasing the fares. He suggested that the Board would receive better public input by having all meetings at the Eugene Public Library and having them televised. He said the multi-way boulevard was expensive and would erode public support for LTD. He cautioned the Board to avoid helping the University of Oregon (UO) with the arena project.

There being no further testimony, Mr. Gaydos closed the public hearing.

**PUBLIC HEARING ON FY 2008-09 SERVICE RECOMMENDATIONS** – Service Planning Manager Will Mueller offered the staff report. He used a table to illustrate the service change summary for FY 2008-09. He noted that the information was consistent with that provided to the Board in February, with the addition of three items described in the Additions category. He said that Phase One changes to address the new RiverBend hospital complex had been approved by the Board. He reviewed the Phase Two service additions, which were similar to those presented in February. Route deletions were the result of low ridership.

**Public Hearing on Service:** Mr. Gaydos opened the public hearing and called for testimony.

**David Jones**, River Road, Eugene, said there was a need for two buses daily, one in the morning and another in the evening, and asked that the Board not lock residents out due to high fuel prices. He expressed his willingness to pay a fare increase to fund continued service.

**Marian Walters**, Eugene, said there would be more riders on Route 28 if it ran on the hour and half-hour. She asked for a return of the Breeze if Route 28 was eliminated. She asked when the neighborhood buses would begin running to the EmX. She said explained how dangerous it was to cross Franklin Boulevard in the UO area. Because she rode the buses for free, she had made a contribution to Birth to Three to help provide transportation funding for their clients, and encouraged others to do the same.

**Zachary Vishanoff**, Eugene, said it was not necessary to cut any routes. He said the free and reduced fares for the Breeze and EmX were discriminatory and proprietary for the Fifth Street Market and UO students. Game day service was not part of LTD's core mission.

Mr. Vobora explained that group passes paid through incidental student fees were issued to UO students. The game day service was paid in full by the UO and not subsidized by the taxpayers. About 9 percent of EmX riders rode free, while others had already paid a fare through a transfer or have a group or monthly pass. It was intended that a fare eventually would be charged for EmX.

**David Cohen**, Eugene, addressed LTD's plan to reduce the Honored Rider age. Currently a three-month pass cost \$51.50. As gas prices increased, more people would ride the bus. Reducing the Honored Rider age would result in a substantial loss of revenue to LTD while increasing costs.



**Rick Ingham** of Veneta said that he represented the City of Veneta. He said that Veneta residents had worked with LTD staff and were encouraged and supported the changes taking place. He said the City of Veneta was taking no position on route changes other than those related to Route 93, noting there was significant community support for the additional a.m. and p.m. route currently being proposed.

**Melvin Hauser** of Alvadore delivered a petition signed by fifteen people. He said bus service was needed for people who wanted to use Fern Ridge Reservoir in the summer and for disabled area residents to travel to Eugene for health care and other needs.

**Nathaniel Norton**, Cottage Grove, represented himself and other Cottage Grove residents regarding Route 98, which served Cottage Grove and Creswell. He noted that he was the only person from that area to testify because the last bus left the Eugene Station in downtown Eugene at 6:00 p.m., and did not allow much opportunity for feedback from people who lived in South Lane County. He offered several recommendations. First, he said, LTD should provide an express route directly from the Eugene Station to Cottage Grove, noting that the commute time was currently about two times as long as using a car, which deterred ridership. He said additional service was needed, noting there were usually passengers standing regardless of the time. A later bus, specifically one at 7:00 p.m., would be used for students and people who worked in Eugene. He suggested that a late evening bus at 10:00 p.m. or 11:00 p.m. on weekends would allow people to take advantage of cultural and social opportunities in the Eugene/Springfield area.

**John Huberd**, Eugene, urged LTD to not change Route 95. He said more people would ride Route 95 if there were more bus stops further north on River Road. He added that a good amount of growth had occurred within the Urban Growth Boundary (UGB) north of Springcreek Road that could be served by extending Route 51 at least to Beacon Drive.

**Valerie Anne**, Springfield, supported leaving Route 93 intact. She needed secure bus transportation, and the community needed consistency for ridership to increase. Route 95 to Junction City was being streamlined and service was being reduced to those who needed bus transportation. She was concerned she would lose her job if Route 93 did not go around the lake. She proposed that LTD postpone Phase 2 and save the existing routes that people depended on.

**Mel Barnes** of Springfield said that many people, particularly at the Willamalane Senior Center, had asked why additional service was not available. He added that shuttles were needed in Springfield to take people to the main lines and the EmX in the future, between Centennial Boulevard and I-105, between Q Street and Hayden Bridge, and along Marcola Road.

**Rich Enlove** was an employee at Golden Temple. Golden Temple employees recently participated in a survey to help LTD plan its north- and southbound routes. The proposed changes did not help the employees because they did not coordinate with the three shift start and end times. He opined gas prices would climb to \$4.75 by summer, which would create a greater demand for bus service. He asked that LTD coordinate more with employers to encourage more ridership and provide a tool that would allow employers to partially fund and track employee bus use.

**Melina Fittings** expressed her appreciation for the opportunity to participate in the public hearing. She said that she worked for Cascade Health Solutions at the Monaco Coach clinic. She said

there were only three buses that served Monaco, none of which were close to her shift start and end times. She asked what she could do to encourage more service to Monaco.

**Sandra Shotridge** of 18th Avenue and Oakpatch Road, Eugene, said the bus schedule impacted her job search possibilities. She asked if the Board would consider earlier morning routes.

There being no further comments Mr. Gaydos closed the public hearing and asked for the staff response.

**Staff Response:** Mr. Vobora commented that earlier morning and later night service was cut in 2002 when there was a dip in the economy. He explained that LTD's primary funding source was from payroll taxes by business, and as the economy went down, LTD lost funding just as more people wanted transit service. Reinstating early morning/late night service was high on the priority list, but there currently were not sufficient resources to do so.

Mr. Vobora said that LTD worked directly with employers to purchase group passes that would fund additional service, and he had talked with Monaco about purchasing group passes for its employees over many years, but the company had not been interested in making that investment in its employees.

Mr. Necker stated that he had had several conversations about Route 95 and deleting River Road. He asserted some trips should remain in the schedule. He added that May through October were busy months for local farm workers.

The Board took a short break.

**WORK SESSION—WEST EUGENE PROJECT RANGE OF ALTERNATIVES FOR FURTHER STUDY PRELIMINARY PUBLIC**—Director of Planning and Development Tom Schwetz provided the staff report included in the Agenda Item Summary (AIS). He distributed a memorandum dated March 10, 2008, to the LTD Board, "Detail on Requested Board Actions for the West Eugene EmX Extension (WEEE) Project." He reviewed the actions the Board would be asked to consider at the March 19, 2008 meeting:

- Adopt the proposed revised Purpose and Need Statement based on the Federal Transit Administration's (FTA) review and request for modification to the statement that was previously adopted by the Board on December 19, 2007.
- Adopt the Range of Alternatives Report on staff recommendations for alternatives to be taken into the Alternatives Analysis/Draft Environmental Impact Statement (AA/DEIS) phase of the project, and then forward to FTA for concurrence.
- Adopt the proposed Range of Environmental Disciplines for the EIS.

Mr. Schwetz indicated that on March 19 the Board also would be asked to direct staff to develop a clear description of how the process would work to create a Transit System Management (TSM) alternative and how the alternatives could be mixed and matched to best meet the needs of the project. The Board also would be asked to direct staff at the March 19, 2008, meeting to schedule a check-in that would occur during the alternatives analysis phase to verify the five alternatives that had been selected.

Responding to a question from Mr. Necker, Mr. Schwetz said alternatives not previously considered could be reviewed during the alternatives analysis phase.

Mr. Schwetz reviewed the alternatives that had been selected for further study in the project's AA/DEIS:

- Selected Mode Alternatives
  - Transportation systems management (TSM) bus improvements.
  - Bus rapid transit (BRT)
- Selected Alignment Alternatives (by Segment)
  - *Segment A—Eugene Station to Garfield Street*
    - Alternative 1—13<sup>th</sup> Avenue
    - Alternative 2—6<sup>th</sup>/7<sup>th</sup> Avenues
  - *Segment B—Garfield Street to Beltline Road*
    - Alternative 1—7<sup>th</sup> Place/Stewart Road Alternative
    - 3—Amazon Channel
    - Alternative 4—11<sup>th</sup> Avenue
  - *Segment C—West of Beltline Road Segment*
    - Alternative—11<sup>th</sup> Avenue to Gerry Street Loop

**ADJOURNMENT** – The meeting adjourned at 6:55 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, March 19, 2008

Pursuant to notice given to *The Register-Guard* for publication on March 13, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, March 19, 2008, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Gerry Gaydos, President, presiding  
Dean Kortge, Vice President  
Debbie Davis, Treasurer  
Mike Eyster, Vice President  
Greg Evans  
Ed Necker  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board  
Kim Young, Minutes Recorder

Absent: Mike Dubick

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the meeting of the Lane Transit District (LTD) Board of Directors to order and noted the absence of Board member Mike Dubick.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos thanked those present for attending. He reported on a recent trip some local officials, including Mr. Gaydos, had taken to Washington, D.C., saying that LTD had a good relationship with the Federal Transit Administration (FTA) and FTA was excited about LTD's success with its EmX system. He recalled LTD's interest in having guidance systems on the EmX vehicles to mimic the operation of light rail and allow for precision docking at stations. He reported that LTD hoped to become a demonstration project for such a guidance system, and as a part of a larger consortium had submitted a proposal to the FTA that had been selected by that agency. Mr. Viggiano noted LTD's partners in the consortium, which included Partners for Advanced Transit Highways and Cal Trans. Partners for Advanced Transit Highways had developed the technology involved. He said the grant from the FTA was \$1.9 million; CalTrans was contributing \$500,000 more, so AC Transit of Oakland, California, would also be included in the demonstration project. Because that agency's system was not yet operational, LTD would test the guidance system first.

Mr. Gaydos believed the grant could be attributed both to staff and the effectiveness of the United Front effort.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were none.

**BOARD CALENDARS** – Mr. Pangborn reviewed the calendar.

**WORK SESSION**

**Accessible Services Update** – Accessible Services Manager Terry Parker provided a PowerPoint presentation updating the Board on Accessible Services. She identified key challenges facing the service in the form of ridership increases, an increase in will-call trips (return trips for medical appointments), an increase in miles traveled, and an increase in fuel costs. She noted that the Special Transportation Fund and other funding resources remained static. As a result, LTD's General Fund contribution has had to increase in order to cover the cost of RideSource services. She shared data on ridership and the increase in the General Fund contribution.

Ms. Parker discussed opportunities facing the system, which included the promotion of fixed-route service to seniors and people with disabilities; travel training and transit host service; mobility management through eligibility assessments; and the integration of Medicaid medical with RideSource and cost sharing. Members asked questions clarifying the information presented.

Ms. Parker then provided an update on the RideSource call center and noted that persons for eligible Medicaid in Oakridge, Florence, and South Lane were now using the Call Center to get transportation. Eugene-Springfield was scheduled to begin use of the Call Center in May. She said few problems had been experienced to date. The facility remodel was complete and driver training began on March 20. She noted that more in-depth training had been added to the national training course on sensitivity to people with disabilities. She also provided an update on the automated scheduling system and IT development, emphasizing the great results from the automated scheduling system. She commended Information Technology Manager Steve Parrot and his team for their work on the system.

Ms. Parker identified key challenges for the call center, which included establishing Medicaid ride rates within a coordinated mix of transportation services; equitable distribution of rides among providers; the general complexity of the work involved in coordination and grouping of rides for greater efficiency; and the general lack of experience data. She commended Senior and Disabled Services for the information it had provided.

Responding to a question from Mr. Kortge, Ms. Parker said that infrequent use was difficult for both clients and the Call Center, and the Call Center was intended to manage that use.

Mr. Necker asked if RideSource had sufficient vehicles to handle the increase in medical trips. Ms. Parker said there were sufficient vehicles because RideSource would not be adding significant numbers of new trips, but rather would be providing a different mix of trips, depending on shared ride opportunities. Mr. Necker asked if the schedule took into account medical trips. Ms. Parker said no, it considered destination, time, and location and attempted to group trips appropriately, by time and place, not by purpose. The Call Center would determine which provider could provide those trips for the best price; it could be RideSource, or it could be other private and non-profit providers. She noted a potential limitation created by the fact only a few providers could handle wheelchair trips.

Ms. Parker recognized the contributions of LTD staff Rand Stamm and Susan Hekimoglu to the Accessible Services Program.

Mr. Evans noted his participation on the American Public Transportation Association's ADA Committee and discussion of manipulating the standards for paratransit so costs could be

reduced. He asked if at some time LTD would be forced to manipulate or change the standards for eligibility to minimize paratransit trips versus getting more people into the fixed-route system. Ms. Parker said that, generally, providers throughout the country chose not to take a stringent stance on eligibility and had served some riders who could be riders of the fixed-route system. LTD did not have to take such a rollback position because early on it had taken the position that those who could ride the bus should do so.

**West Eugene EmX Extension Project** – Director of Planning and Development Tom Schwetz joined the Board for the item. He asked the Board to approve the revised Purpose and Need Statement, approve a Range of Alternatives report, and approve the list of environmental disciplines to be considered during the drafting of the Environmental Impact Statement (EIS).

Mr. Schwetz provided a PowerPoint presentation on the project. He reviewed the project schedule and noted key dates. Mr. Schwetz reviewed the revised Purpose and Need Statement, noting the background material included in the meeting packet. Referring to the Range of Alternatives Report, Mr. Schwetz noted that it had also been provided to the board and summarized the larger Findings Report; that report documented in detail the assessment of various alternatives suggested by the Board, the staff, or the public. He said the Findings Report reviewed the results of the Tier I and Tier II evaluative screenings of those alternatives.

Mr. Schwetz reviewed the modes proposed for the Tier I screening process, noting the modes that did and did not meet the intent of the system Purpose and Need Statement. He reviewed the route alternatives proposed for the Tier I screening process. He reviewed the alternatives that were forwarded to the Tier II evaluative screening process and those subsequently forwarded to the EIS process.

Mr. Schwetz reviewed the segment alternatives removed from further consideration.

Mr. Eyster asked about the timing of the decision to remove from further consideration a segment of West 11<sup>th</sup> Avenue. Mr. Schwetz noted considerable discussion on the part of both the EmX Steering Committee and West Eugene EmX Extension Corridor Committee in regard to retention of that segment that resulted in the segment being added back into the alternatives screened in Tier II. The EmX Steering Committee thought it was important to add it back in due to the potential of it being paired with West 13<sup>th</sup> Avenue as part of the route, similar to what had been discussed in regard to 6<sup>th</sup> and 7<sup>th</sup> avenues. Staff had not changed their recommendation to drop the alternative and continued to recommend that it be dropped. Mr. Schwetz said that LTD wanted to clarify how the Transportation System Management (TSM) alternative would play into the alternatives, as well as the ability to “mix and match” alternatives between TSM and a built environment. The TSM approach allowed LTD to balance the resource and risk management issues related to the process.

Responding to a question from Mr. Necker about the reason TSM might be employed in certain elements of the route, Mr. Schwetz said that LTD might encounter impacts of “built alternatives” that were too expensive to mitigate and would consider a TSM approach on streets such as 6<sup>th</sup> Avenue. He thought LTD would look into a range of possibilities that included a mix of approaches, adding that with concurrence from FTA, the Board would make the final decision on the best combination of approaches that met the purpose and need for the project.

Mr. Schwetz indicated that LTD could return to segments previously removed if a selected alternative proved unworkable. He emphasized that the alternatives were not ranked, nor was

LTD attempting to select a preferred alternative at this time; it was identifying alternatives to move into the next phase of study.

Mr. Eyster asked if LTD's decision to study TSM alternatives implied less of a commitment to dedicated lanes. Mr. Schwetz said no and noted that the FTA requires that TSM alternatives be considered. He anticipated that LTD would look at many alternatives, but one of the screening criteria included dedicated lanes.

Due to a lack of time, Mr. Gaydos deferred completion of Mr. Schwetz's presentation until later in the meeting.

**EMPLOYEE OF THE MONTH** – The Board recognized Bus Operator Stacy Hunter as Employee of the Month. Director of Transit Operations Mark Johnson introduced Mr. Hunter, noting that Mr. Hunter had been an employee for less than two years but had made a big impact during his time with the District, as evidenced by his nomination. Mr. Hunter recently became an instructor and entered the Temporary Supervisor Program.

Mr. Gaydos thanked Mr. Hunter for his service to LTD and presented him with a certificate of appreciation, a check, and pin commemorating the award.

Mr. Hunter thanked the Board and LTD's customers. He commended the LTD organization and said its employees were a well-rounded group of people. He said that from top to bottom, LTD was a top-notch place to work.

#### **AUDIENCE PARTICIPATION**

Mr. Gaydos noted that there were no hearings for the pricing plan or service proposal, since those had been held at two special meetings in February and March.

**Anand Keathley**, 393 North Polk, Eugene, reviewed and submitted written testimony in support of his argument that EmX not go down West 11<sup>th</sup> Avenue. He thanked the Board and offered them his assistance.

**David Hinkley** of Eugene was opposed to seeing EmX go down West 11<sup>th</sup> Avenue in his neighborhood. He questioned why the route was being proposed as he had not seen that explained in the Purpose and Needs Statement. He asked who would ride the system if it was not to go out to West 11<sup>th</sup> or to Veneta, eliminating use by commuters, and there were no other residential areas on West 11<sup>th</sup> Avenue. Residential users would be served by a route that went down West 11<sup>th</sup> Avenue or Highway 99. Mr. Hinkley said three of the four routes under consideration would not help shoppers, including those seeking to visit their medical providers at all, nor would the reduction in the number of stations. The transit dependent would have the same problem. Lastly, Mr. Hinkley questioned where LTD would locate the 22 feet the route needed and the 32 feet the station needed on West 11<sup>th</sup> Avenue. He said he intended to contact Representative Peter DeFazio to get the funding for the project killed now before more tax money was spent on it.

**Josef Siekiel-Zdzienicki**, 125 Taylor Street, Eugene, first spoke to Segment A. He said West 11<sup>th</sup> Avenue between Chambers Street and downtown Eugene was a residential street. West 13<sup>th</sup> Avenue between Olive and Garfield had many more residential (181) than commercial

addresses (23). He acknowledged the space taken by the church, Marine Corps Reserve, and fairgrounds, but thought it still a very residential street. He said if the route went down West 11<sup>th</sup> Avenue it would be the first residential neighborhood in the United States with a bus rapid transit route through it.

Speaking to Segment B, Mr. Siekiel-Zdzienicki said he opposed the West 11<sup>th</sup> segment from Garfield Street to Bailey Hill Road because of the narrow street and the lack of room for a dedicated lane. He suggested that the cost to move EWEB poles from both sides of the street would be very expensive, and potentially a large percentage of the project. In the meantime, the businesses along the route would experience financial difficulty, and he believed LTD needed to compensate those businesses for their losses as it would not be their fault, but the fault of the "powers that be."

**Ilona Koleszar**, 871 West 11<sup>th</sup> Avenue, Eugene, a 3RT member and member of the West Eugene EmX Extension Corridor Committee, opposed the inclusion of West 11<sup>th</sup> as a TSM segment and suggested it would be a "foot in the door" that would prove not to be fast enough as congestion increased. When fuel doubled in price in the foreseeable future, LTD would want a real EmX lane on West 11<sup>th</sup> and would point to its investment and want to use West 13<sup>th</sup> Avenue as a BRT Route on a road that it should never have belonged on to begin with. She believed that LTD was being short-sighted and should be focusing on right-of-way acquisition where light rail could be accommodated later when Eugene grew large enough. She said that West 11<sup>th</sup> Avenue was not compatible for TSM, BRT, or future system expansion. She was grateful to hear that TSM flexibility and mix and matches would be considered as part of a 6<sup>th</sup>/7<sup>th</sup> couplet. She urged the Board to avoid wasting federal tax dollars entrusted to it for an alternative that would not transport the community into the future. She called selection of a TSM short-sighted and urged the Board to reject those alternatives before more money that could be spent on other alternatives was spent on them.

**Sandra Bishop**, 591 West 10<sup>th</sup> Avenue, Eugene, spoke of her love for living downtown and for alternative modes of travel. She expressed appreciation for what the Board was attempting to accomplish, but did not think it could be accomplished by going through her neighborhood. She thought that would ghettoize a close-in neighborhood in downtown Eugene and asked the Board to take West 11<sup>th</sup> Avenue off the table for further consideration. She believed climate change was pushing density and that must be respected. If downtown neighborhoods were not respected, people would leave and the downtown would be left with transportation corridors.

**Tim Bennett** of Eugene agreed with those who wished to keep BRT off West 11<sup>th</sup> Avenue. He believed that once established, BRT could only be expanded or removed at taxpayer expense. He asked the Board to consider long-range planning and not just what needed to be accomplished in the short-term.

**Marsala Monroe**, Whiteaker Community Council (WCC) Board of Directors member, submitted a letter on behalf of the WCC in opposition to locating BRT on West 11<sup>th</sup> Avenue and supporting it on West 6<sup>th</sup> and 7<sup>th</sup> avenues. She noted that the letter had been sent to the Board as well as to the Eugene City Council. The WCC also advocated for an electric light rail system because "we are standing on the threshold of a new century" and they did not believe the use of fossil fuels would be cost-effective in the future. The WCC wanted to ensure that the transit system was available to everyone and would not be priced beyond the means of citizens. She reviewed the segments the WCC supported.



Mr. Gaydos thanked those for testifying and encouraged them to continue to follow the project. He said the Board continually thought of the long range.

**Fred Simmons**, 312 South 55th Place, Springfield, spoke of the importance of intermodal modes and regretted the loss of local rail connections. He suggested there was an opportunity to connect rail to Veneta and farther west. He believed the community needed to plan for the future farther in advance. He said the Board needed to balance its budget but not on the back of those who needed LTD to help serve the economy. He recommended that the Board look beyond the horizon and consider related topics to ensure that the community had a sustainable society. He urged the Board to think beyond the corridors.

#### ITEMS FOR ACTION AT THIS MEETING

**MOTION** **Consent Calendar** – Ms. Davis moved adoption of LTD Resolution 2008-007: It is hereby resolved that the Consent Calendar for March 19, 2008, is approved as presented. Mr. Kortge provided the second. The Consent Calendar consisted of the minutes of the February 11, 2008, Special Board Meeting/Public Hearing; minutes of the February 20, 2008, Regular Board meeting; the *Lane Transit District Drug & Alcohol Program*, and an Intergovernmental Agreement-Oregon Department of Transportation/Metropolitan Policy Organization/Transit Operator Agreement.

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

**FY 2008-09 Pricing Plan and First Reading of Amended Fare Ordinance** – Mr. Vobora noted the public hearings that occurred in regard to the proposed fare and pass changes and the comments the Board had received. He invited Board questions, reporting that the staff recommendation regarding fares and group passes had not changed. He said that LTD had received comments on its *RideSource* fares, and noted that the Accessible Transportation Committee had been consulted and had supported the changes.

**MOTION** Mr. Eyster moved that the Amended Ordinance 35 be read by title only. Mr. Kortge provided the second.

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

Mr. Eyster then read the ordinance by title: "Lane Transit District Fifteenth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services." Mr. Vobora anticipated the second reading and ordinance adoption in April

**FY 2008-09 Service Proposal** – Mr. Vobora recalled the Board's request for additional analysis of Route 93 and reported that staff were unable to find alternatives. He said that either LTD

should leave the service as it was, which meant not adding two trips to Veneta, or make the change and increased service to Veneta. In regard to Route 95, Mr. Vobora noted suggestions for a couplet, and said that staff had investigated that policy but found it did not work because there were two, rather than one, commuting patterns involved. He thought the Highway 99 routing the best in the long run because of the anticipated construction of the prison and state hospital as well as continuing development in the vicinity of the airport. He called attention to a summary of the changes on page 50 and noted a change in the staff recommendation to route 78 to accommodate commuter patterns.

**MOTION** Ms. Davis moved approval of LTD Resolution No. 2008-008. It is hereby resolved that the LTD Board of Directors approve the FY 2008-09 Service Recommendations, resulting in a net reduction in service hours of 0.24 percent, as presented on March 19, 2008, and as shown on the 2008-09 Annual Route Review Service Change Summary. Mr. Eyster provided the second.

**VOTE** The resolution was approved as follows:  
AYES: Davis, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Dubick

**West Eugene EmX Extension Project** – Mr. Schwetz continued his earlier presentation, identifying next steps in the project and the environmental disciplines that would be studied. He asked the Board to adopt the revised Purpose and Need and Statement, the range of alternatives, and the range of disciplines, as well as to direct staff to develop a clear description of the process to develop the TSM alternative and how alternatives would be mixed and matched during the alternatives analysis phase. He also asked the Board to direct staff to schedule a check-in during the alternatives analysis phase to verify the viability of the alternatives the Board was being asked to move to the next phase.

Mr. Schwetz invited questions and comments on the actions requested by staff.

Mr. Evans wanted to “tease out” what the TSM alternative “really means” in light of the testimony the Board heard earlier. He thought area residents feared that LTD would establish a foothold on the residential part of the road as an alternative for EmX. He wanted to know where LTD “fell out on that.” He viewed TSM as LTD looking at how it used the current bus system that it had and reconfiguring it to fall into an EmX system that made sense in terms of how that management worked. Mr. Schwetz said that TSM was an alternative required by the FTA. He said the preferred alternative would be to implement bus rapid transit (BRT) along the entire length of a given corridor; LTD would turn to TSM as an alternative in those places where it could not implement a full BRT treatment. Mr. Schwetz explained that TSM could be a range of things. The FTA required TSM because it was seeking a way to address the purpose and need with as little of that agency’s money as possible. He did not think that LTD would be looking at existing service alone, but a service much like EmX without the exclusive right-of-way. It would have stations, queue jumping, and signal prioritization. Mr. Evans asked if part of the TSM could include service that did not originate in downtown. Mr. Schwetz said staff would look at the disposition of existing services with EmX “in the mix.”

Mr. Evans suggested that the place of origin for EmX might be different than downtown, with a station at Big Y and connections down 6<sup>th</sup> and 7<sup>th</sup> avenues. He believed that when LTD discussed TSM it needed to be clear about how it communicated it because of the image that

people had of EmX from their experience with it on Franklin. Mr. Schwetz said that LTD had tools such as visual simulation to explain how the system would look and work.

Mr. Kortge asked if board support of the motion could result in a study that showed "something" running from the Eugene Station down West 11<sup>th</sup> Avenue. Mr. Schwetz said no. He said that it was not staff's intent that a vote for the motion would result in a build alternative down the residential portion of West 11<sup>th</sup> Avenue.

Mr. Gaydos noted staff's mention of stations and said he understood that did not necessarily mean EmX stations. He asked if any capital investment would be necessary for the TSM alternative outside of money for queue jumping. Mr. Schwetz believed at least one station was needed between Jefferson and Garfield streets similar to those on Franklin Boulevard in Glenwood.

Mr. Viggiano pointed out that LTD had considered and selected TSM options on route segments in the Pioneer Parkway route. He said it was important that the corridor still be an EmX corridor, which was why he thought that raised platform stations were needed.

Mr. Kortge saw no purpose in studying West 11<sup>th</sup> Avenue further given the neighborhood opposition the Board heard. Mr. Pangborn pointed out that there were two segments on West 11<sup>th</sup> Avenue involved. Mr. Kortge did not support further study of a route without dedicated right-of-way and said the West 11<sup>th</sup> residential segment did not make sense. Mr. Gaydos recalled that the staff recommended against the segment but the advisory committee recommended its retention at this time.

Mr. Eyster and Mr. Evans shared Mr. Kortge's concerns. Mr. Kortge recalled discussion at an EmX Steering Committee meeting that indicated to him the inclusion of the segment did not make sense. He was prepared to offer a motion to delete it from consideration.

Mr. Schwetz explained that the FTA would have to concur with the Board, and with respect to TSM, the FTA would look very carefully at the proposal for a TSM alternative to ensure that LTD had the most effective and efficient TSM option possible. He suggested that the agency would question the deletion of such a direct route. Mr. Evans said that the Board had to consider adverse impacts to the neighborhood, so he thought there were mitigating circumstances for not taking a straight line down West 11<sup>th</sup> Avenue. He hoped that the FTA took into account the Board deliberations and public process.

Mr. Kortge said that if the FTA directed LTD to reconsider the alternative, it could.

Mr. Eyster did not think that LTD could secure dedicated lanes on the residential portion of West 11<sup>th</sup> Avenue, which did not meet FTA's goals related to increasing time of travel and efficiency. Mr. Schwetz clarified that the Board was talking about the TSM alternative, which did include dedicated lanes.

**MOTION** Mr. Evans moved approval of LTD Resolution No. 2008-09, adopting actions related to the West Eugene EmX Extension Project as outlined in the resolution and deleting the staff recommendation as to the TSM alternative on West 11<sup>th</sup> Avenue. Mr. Kortge provided the second.

Mr. Pangborn concurred with a statement by Mr. Evans that LTD had a good working relationship with the FTA and could explain its rationale to the agency. Mr. Pangborn said that if the FTA did not accept LTD's rationale, staff could return to the Board.

VOTE The resolution was approved as follows:  
 AYES: Davis, Evans, Eyster, Gaydos, Kortge, Necker (6)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: Dubick

**Public Hearing and Approval – FY 2007-08 Supplemental Budget** – Accounting Manager Carol James introduced the supplemental budget, noting the legal requirement for a public hearing if the budget changed by a set percentage. She said that LTD proposed changing the appropriation in the Accessible Services Fund by adding \$1,340,000 for the Call Center. She also asked the Board to recognize a \$2.5 million increase in appropriations for the capital projects fund for acquisition of land for the River Road Station, and a \$5.15 million increase in appropriations for the authority to write a contract for the purchase of the BRT vehicles for the Pioneer Parkway route.

**Public Hearing on Supplemental Budget:** Mr. Gaydos opened the public hearing. There being no one present who requested to speak, Mr. Gaydos closed the public hearing.

MOTION Mr. Kortge moved approval of LTD Resolution No. 2008-010, which amends the LTD Fiscal Year 2007-2008 budget as represented in the resolution. Ms. Davis provided the second.

VOTE The resolution was approved as follows:  
 AYES: Davis, Dubick, Evans, Eyster, Gaydos, Kortge (6)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None

**Revised Capital Improvements Program** – Finance and Information Technology Director Diane Hellekson introduced the item. She noted past Board discussion of the projects in question. She briefly reviewed the expenditures being proposed, and drew the Board's attention to the proposal to acquire all hybrid technology vehicles in the future. She said that would require \$36 million in debt financing, and the Board Finance Committee had forwarded the proposal in that manner with the understanding that it could be changed later.

Mr. Kortge raised the subject of electric buses and said it was his understanding that 40 percent of local electricity came from coal-fired plants in Wyoming. He suggested Lane County was lucky not to have to suffer coal fumes and asked for discussion on the tradeoffs between electricity and gas. Mr. Gaydos noted the Board's commitment to being as green as possible so he thought it worthwhile to keep the vehicles in the plan. Mr. Pangborn said that LTD continually evaluated such things, and he anticipated a "sea change" in how energy was managed and priced in the future. Mr. Kortge thought LTD was being responsible in its approach.

Mr. Evans asked if LTD could bond for buses. Ms. Hellekson said that LTD could issue bonds but would have to jump through some major hoops, including an election, to issue general obligation bonds. She suggested it made more sense to borrow at this time because LTD had no debt and a high credit rating. If LTD could partner with another agency, such as the City of

Eugene, it would make the process easier. Mr. Evans thought that Eugene was prepared to consider such transportation-related expenditures.

MOTION Ms. Davis moved approval of LTD Resolution No. 2008-011—it is hereby resolved that the Revised Capital Improvements Program is approved as presented. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:  
AYES: Davis, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Dubick

**Revised Long-Range Financial Plan** – Ms. Hellekson referred the Board to the plan in the meeting packet. She said staff were proposing a status quo plan in the first year but would be taking a hard look at where service reductions might occur in the fixed-route system. When the status of the payroll tax was known, staff would be in a better position to recommend whether service reductions were in order and at what magnitude.

Mr. Eyster asked how LTD was doing in identifying those who were not paying the payroll tax. Ms. Hellekson said that LTD lacked a dedicated staff to do that work but recognized it was a high priority. LTD had hired a temporary person to visit construction sites and record the names of subcontractors, but it was challenging to reach some of the job sites.

Ms. Hellekson indicated that Board action would merely direct staff to complete the proposed budget, which would be reviewed by the Board as part of the Budget Committee. She invited questions.

Mr. Gaydos recalled the support expressed by former Eugene City Councilor David Kelly for Eugene's involvement in solving some of LTD's issues, and when it appeared LTD could not provide student rides Eugene Mayor Kitty Piercy had expressed concern. He thought that not enough was being done at the local level and suggested that the Board "start politicking" on the local side. He thought that LTD needed to be more collaborative and local government was beginning to understand the fossil fuel issue and the dramatic impact transit should have. He thought that local general purpose government should be helping LTD financially.

MOTION Mr. Kortge moved approval of LTD Resolution No. 2008-012; it is hereby resolved that the Long Range Financial Plan is approved as presented. Mr. Eyster provided the second.

Mr. Evans asked if LTD could seek fuel from out of the country in a place such as China, for example. Ms. Hellekson said that LTD did what it could in the market but was too small for a country such as China to help out.

VOTE The resolution was approved as follows:  
AYES: Davis, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Dubick

**ITEMS FOR INFORMATION AT THIS MEETING**

**Ethic Reporting Forms** – Mr. Kortge noted that the Board needed to submit new ethics reporting forms on or before the date of the next Board meeting.

**APTA Legislative Committee** – Mr. Evans provided a brief report on the recent American Public Transportation Association (APTA) Legislative Committee meeting, saying that the committee narrowed its focus on about 19 items for the next federal transit bill authorization, including paratransit and fuel. Responding to a question from Mr. Kortge about whether the bill was on track, Mr. Pangborn anticipated it would be about one year late, depending on the approach Congress took.

Mr. Evans noted that he had been appointed to the Authorization Committee of APTA and had suggested to the national organization that LTD would like to host the 2010 Transit Board Members Conference in Eugene. He thought that it important that LTD host the conference to position it in the transit community for recognition of its innovative approaches and to help maximize its visibility with the federal government. He thought Lane County had a variety of amenities for conference goers to enjoy, as the conference occurred in mid-July.

**Metropolitan Policy Committee** – Mr. Evans said that the Metropolitan Policy Committee was discussing whether to broadcast its meetings on television, as “a lot of people” were concerned that meetings occurred during the day, limiting citizen access.

**Board Finance Committee** – There was no report.

**Diversity Plan** – Senior HR Analyst David Collier reviewed changes made to the *Diversity Plan* made at the direction of the Board. He indicated that the plan had been approved by the Leadership Council.

Mr. Kortge noted the desired outcome in the plan stating that the LTD workforce at all levels would represent the cultural composition of the community, and suggested that the general manager was one of the “all levels” involved. He asked if it was really LTD’s goal to represent the cultural composition of the community or to be different than that.

**Monthly Financial Reports** – Ms. Hellekson briefly reviewed the report. There were no questions.

**Monthly Department Reports** – There were no questions.

**Board Correspondence** – There were no questions.

**Monthly Performance Reports** – There were no questions.

**ADJOURNMENT**

Mr. Gaydos adjourned the meeting at 7:45 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, April 16, 2008

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, April 16, 2008, at 5:30 p.m., was canceled for lack of agenda items requiring action.

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Board Secretary



LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING

Wednesday, April 23, 2008

Pursuant to notice given to *The Register-Guard* for publication on April 17, 2008, 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 Wednesday, April 23, 2008, beginning at 5:30 p.m., in the LTD conference room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Gerry Gaydos, President, presiding  
Debbie Davis, Treasurer  
Mike Dubick  
Mike Eyster, Vice President  
Greg Evans  
Ed Necker  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board/Minutes Recorder

Absent: Dean Kortge, Secretary

**CALL TO ORDER** – Mr. Gaydos called the meeting to order at 5:35 p.m. Mr. Evans was not yet present.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Pangborn noted the award that had been received from the Government Finance Officers Association for excellence in financial reporting. This was the twelfth year in a row that the District's Comprehensive Annual Financial Report (CAFR) had received the award. Mr. Pangborn thanked the Finance Department staff for their work on the CAFR, and Director of Finance and Information Technology Diane Hellekson acknowledged Finance Manager Carol James' work, especially.

Mr. Pangborn also distributed copies of an article by Mr. Evans from the most recent American Public Transportation Association (APTA) publication, *Passenger Transport*. He said that in July he would be attending an APTA meeting in Cleveland and would see what the bus rapid transit system looked like there. Cleveland was buying 22 buses on the same contract through which LTD bought its EmX buses, and probably would have 17 or 18 on the road at one time.

**BOARD CALENDARS** – Mr. Pangborn noted that on May 5, the Springfield City Council would be addressing its resolution on Pioneer Parkway. The Board had scheduled a strategic planning work session to begin at 3 p.m. on Monday, June 9.

**EMPLOYEE OF THE MONTH** – Mr. Pangborn explained that the May Employee of the Month, Bus Operator Erik Dahl, was unable to attend the meeting, since his shift began at 4 a.m. and he started his day at 2 a.m. Mr. Pangborn added that he liked the way Mr. Dahl was focused on fitness and encouraged other employees to use the fitness equipment at LTD.

**AUDIENCE PARTICIPATION** – There was none.

**ITEMS FOR ACTION AT THIS MEETING**

**MOTION** **CONSENT CALENDAR** – Ms. Davis moved, seconded by Mr. Dubick, approval of LTD Resolution No. 2008—13: “It is hereby resolved that the Consent Calendar for April 23, 2008, is approved as presented.” On the Consent Calendar were the minutes of the March 10, 2008, special Board meeting/public hearing on fares and service.

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

**FTA GRANT APPLICATIONS** – Grant Administrator Todd Lipkin briefly discussed the grants listed in the summary on page 13 of the agenda packet. There were four Federal Transit Administration (FTA) grant applications. The largest, an application for \$4,900,152 in Federal Section 5307 Urbanized Area Formula Funds, was for purchase of the land at the River Road Transit Station and to pay off the short-term note for the Gillig bus purchase. The second application was for \$932,387 in 2008 Surface Transportation Funds for the Commuter Solutions program and for a portion of the purchase of one Pioneer Parkway EmX vehicle. A Section 5309 Bus Purchase grant request for \$776,286 was for the final payments for the 2007 New Flyer articulated bus purchase and to provide funding for a portion of an EmX vehicle for Pioneer Parkway. The fourth application was for a Section 5339 Alternatives Analysis grant, requesting \$545,000 in funding in 2007 and 2008 for technical studies and alternatives analysis activities for the West Eugene EmX Extension project.

Public Hearing: Mr. Gaydos opened the public hearing on the federal grant applications under consideration. A person in the audience asked if it would be possible to receive a copy of the alternatives grant. Mr. Lipkin replied that it had not yet been drafted. There was no testimony, and Mr. Gaydos closed the public hearing.

**MOTION** Board Acton: Mr. Eyster moved, seconded by Ms. Davis, that the Board adopt LTD Resolution No. 2008-014: “It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed below, which total \$7,153,825 in federal funds, and authorizes the general manager to submit these applications to the Federal Transit Administration for approval.”

- (1) 5307 Urbanized Area Formula Funds (OR-90-X152)
- (2) Surface Transportation Funds (OR-95-X019)
- (3) 5309 Bus Replacement (OR-04-0026)
- (4) 5339 Alternatives Analysis Funding (OR-34-0005)

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

Mr. Viggiano noted that the River Road Transit Station was part of this funding request. He said that the request would go to the County for approval on April 30, and then the purchase was expected to close on May 7. In response to a question from Mr. Gaydos, Mr. Viggiano said that the possible bank tenant was still in negotiations with the County and LTD because of some joint access issues.

Mr. Dubick asked if LTD would be fronting the money for the purchase and then getting it back from the FTA. Mr. Lipkin said this was correct, and that LTD expected to receive the funds in June or July.

**FISCAL YEAR 2008-2009 PRICING PLAN AND SECOND READING AND ADOPTION OF AMENDED FARE ORDINANCE** – Director of Service Planning, Accessibility, and Marketing Andy Vobora noted that the Board previously had held two public hearings on the recommendations found in the amended fare ordinance and had held the first reading at the March 19 Board meeting.

MOTION Mr. Dubick moved that Fifteenth Amended Ordinance No. 35 be read by title only. Mr. Eyster seconded the motion.

VOTE The motion was approved as follows:  
AYES: Davis, Dubick, Eyster, Gaydos, Necker (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Evans, Kortge (2)

Mr. Dubick then read the title: "Fifteenth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services." Additional copies of the ordinance were available for anyone in the audience who wished to have one.

MOTION Mr. Dubick then moved LTD Resolution No. 2008-015: "Be it resolved that the LTD Board of Directors hereby adopts Lane Transit District Fifteenth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services." Mr. Eyster provided the second.

VOTE The ordinance was adopted as follows:  
AYES: Davis, Dubick, Eyster, Gaydos, Necker (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Evans, Kortge (2)

**ITEMS FOR INFORMATION AT THIS MEETING**

Mr. Evans arrived at 5:50 p.m.

**Monthly Financial Report** – Ms. Hellekson stated that ridership still was extremely strong, at a 12.7 percent increase; these were record levels and showed no sign of slippage. She said that LTD had received the State-in-Lieu of payroll tax revenues that were missing, and those revenues had increased. The bad news, she said, was that fuel costs still were increasing. This issue would be discussed with the Budget Committee later that evening. She noted that fuel costs tended to move up and down over time, and LTD generally budgeted what was anticipated to be the average cost for the year.

Mr. Eyster said that there had been a discussion about a person who would write down the names on subcontractors' trucks on local construction projects. He wondered how that was going. Ms. Hellekson said that it did not go very well, since the person could not get onto most of

the construction sites. Finance Manager Carol James said that the PeaceHealth construction site had submitted a list of subcontractors.

**ADJOURNMENT** – There was no further discussion, and the meeting was adjourned at 5:55 p.m.

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Board Secretary

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

Wednesday, May 21, 2008

Pursuant to notice given to *The Register-Guard* for publication on May 15, 2008, 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 21, 2008, beginning at 5:34 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Mike Eyster, Vice President, presiding  
Dean Kortge, Secretary  
Debbie Davis, Treasurer  
Ed Necker  
Greg Evans  
Michael Dubick  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board  
Jeanne Schapper, Minutes Recorder

Absent: Gerry Gaydos, President

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the meeting to order at 5:34 p.m. and then called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Eyster mentioned that the Springfield City Council met on May 5 and agreed with the 30 percent design presented by LTD staff. The Council Chair was very enthusiastic in her support.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Necker inquired as to when the decision on hybrid buses will be made. General Manager Mark Pangborn responded that the decision does not have to be made for some time—probably one year. LTD is in the process of ordering additional EmX buses for the Pioneer Parkway EmX Extension. The buses will be hybrid electric in order to be consistent with the remaining fleet. The District is looking into the cost trade-offs between standard buses and hybrid-electric. After more information has been collected and before the end of the year, the issue will be brought before the Board again, along with a discussion on the use of biodiesel.

Mr. Pangborn announced that the need has arisen to go into Executive Session to discuss the purchase of River Road Station from the County.

**BOARD CALENDARS** – Mr. Pangborn reminded the Board of the Work Session scheduled for June 9 and the regular Board meeting scheduled for June 18. He mentioned that traditionally the July and August meetings have been left open—unless an issue arises that requires Board action. Nothing is currently pending.

Mr. Pangborn passed around a picture of Board member Greg Evans with a group of officials in Washington, D.C., where Mr. Evans introduced Congressman Earl Blumenauer and Congressman Peter DeFazio.

## **WORK SESSION**

**June 9 Strategic Planning Work Session Agenda** - Assistant General Manager Stefano Viggiano said that the intent was to review and discuss the draft agenda for the four-hour work session scheduled for June 9, 3:00-7:00 p.m. Mr. Viggiano directed the Board to the draft agenda in the packet and the four objectives of the work session.

Mr. Viggiano relayed that the first objective is to determine an appropriate cost range for budget reductions for 2009-10. An updated Long-Range Financial Plan will be available with optimistic and pessimistic assumptions. The second objective is to provide direction on budget reduction options for consideration, including service options, materials and services, personnel, and capital. A discussion of potential revenue options will follow. Revenue options are unlikely to have a short-term impact. The impact would be more apparent in 2010, at the earliest.

Mr. Evans inquired about congestion taxing and other possible options, such as carbon taxing, as these may have benefits that could be realized earlier. He pointed out that these are emerging options that are being explored around the world, and with current budget concerns, may be viable options that LTD should explore. Mr. Viggiano responded that these options need to be addressed at the federal level.

Mr. Evans stated the possibility of a transit SDC (Systems Development Charge), and added that these ideas should be discussed further at the work session. Mr. Viggiano responded that the matter would be investigated and that he would find out what authority the District has in pursuing these options.

In response to a question from Mr. Eyster, Mr. Viggiano stated that the Budget Committee was aware of the items to be discussed.

Mr. Kortge inquired as to the timeline for decisions—best and worst case scenarios. Mr. Viggiano responded that a process schedule will be provided. If significant service reductions are being considered, direction from the Board will need to be given at the meeting on June 9, so that the public process can begin.

Mr. Necker inquired as to whether these service reduction decisions would be made solely by the Board or if the Service Committee reviews the information and makes recommendations. Mr. Pangborn responded that the Board would decide if they want the Service Committee to refine the recommendations prior to presentation to the Board. The Board may make that decision at the strategic planning work session.

Continuing the review of the Strategic Planning Work Session Agenda, Director of Service Planning, Accessibility, and Marketing Andy Vobora introduced the review of revenue options, beginning with fare increases that would lead to direction from the Board. A fare increase was adopted earlier that affects cash fares. The fare policy suggests that fare increases are rotated so that not all go into effect in a single year; however, it is not a requirement. The Board is within its power to make the changes that will be discussed.

Cash Fares: An increase of 20 percent (to \$1.50) has already been adopted and puts LTD near the top of its peer group. The cash fare affects approximately 21 percent of riders. The top fare in LTD's peer group is \$1.75. LTD's recommendation is to refrain from further increasing cash fares at this time.

Single-ride Tokens: Tokens are purchased for \$5.50 for a packet of five and provide a discount over paying the cash fare. They are not used by many riders (only 2 percent), and about half of those riders are receiving the tokens through a social service—either a governmental agency or not-for-profit program. Staff are suggesting the elimination of the tokens as a fare option to the general public (1 percent of riders); however, the tokens should be kept available for social service agencies. At some time in the future, tokens would be eliminated in favor of a paper instrument for use by the agencies to be issued to the rider for redemption for a day pass. This would enable the District to capture rider data.

Passes: The day pass is tied to the cash fare and may be priced differently as some districts do. LTD's policy states that the day pass price is two-times the cash fare, but that wording can be changed. LTD staff do not recommend making that change at this point in time.

The monthly pass was increased from \$35 to \$38 in 2007, and only one year has passed since the new price was implemented. About 22 percent of riders use the monthly pass. The current price is in the median of the District's peer group. If the price is raised to \$45, which is a significant increase, the District price will still remain within the peer group range. Staff are recommending this change to the Board. It should be noted that some Districts are charging upwards of \$60 for a monthly pass. This change will bring about the most benefit in terms of generation of revenue because it affects a large percentage of dedicated riders. It is believed that this increase would not affect ridership.

Mr. Kortge asked for clarification on what type of rider constitutes the 22 percent of monthly pass riders. Mr. Vobora responded that this would not affect student riders who have group passes as well as many adult riders who also possess group passes. Monthly passes are purchased by the general public, which is primarily made up of regular commuters. This change should not impact lower income riders.

Mr. Evans inquired as to what effect increasing monthly pass prices has had historically on purchase and usage. Mr. Vobora responded that the previous pass increase was from \$28 to \$35, which is similar to the current situation. This increase occurred in the early 2000s when service cuts were also being considered. Because of concurrently cutting service and increasing fares, the District saw a slight slowing in growth. Currently, however, people expect prices to increase, so fallout should be minimal.

Seniors and people on a fixed income will see the half-fare monthly pass increase from \$19 to \$22.50, and that change is expected to have an effect on some riders.

Mr. Dubick commented that the pass price of \$45 for a regular commuter is still a good deal. Mr. Vobora said that the typical calculation considers riding 40 times per month, which amounts to a \$60 cash fare. The monthly pass discounts the price to \$45.

Mr. Vobora reported that the three-month pass offers an additional 10 percent discount over the monthly pass. These passes have been deeply discounted over the years to encourage riders to move to the pre-paid fare instrument. Historically the three-month pass has not been popular.

Youth was the largest group of purchasers prior to the implementation of the youth/student pass. Currently the largest group of purchasers is the reduced fare riders (typically people on a fixed income), who budget for purchase of this pass to save money. Administratively, this program is difficult because of the costs involved in packaging and printing, only to have purchasers lose them and need to have them replaced. In the adult category over the past twelve months, only 600 have been sold, which means that 50 to 60 people per month are taking advantage of this additional discount. To make this program worthwhile, a target of 100 to 150 purchases would be more reasonable. LTD recommends elimination of this program. These riders would purchase the monthly pass.

Mr. Necker mentioned that the three-month reduced fare at this time is \$51.50. If the pass fare is changed to \$45, that would amount to a reduced fare of \$22.50, which makes the cost for two months as much as the cost for three months. If the three-month pass was kept and the price for the half-fare was raised to \$22.50, the price for half-fare for a three-month period would increase from \$51.50 to \$67.50. Mr. Vobora responded that the Board can set the reduced fare at something other than what is recommended. The law requires the District to charge half fare, but the Board may set that at a lower rate.

Mr. Necker asked if it was possible to track how many three-month half-fare passes are purchased. Mr. Vobora responded that there were approximately 1,500 purchases over the last twelve months. Some of those riders are purchasing every three months, so those figures would need to be divided by four.

Mr. Vobora pointed out that the Board had adopted an increase in the group pass of 8.8 percent in January 1, 2009, which is part of the policy that needs to be changed. Staff recommend continuing this discussion in the fall. Currently the policy states that pricing is based on a three-year rolling average of the cost increase, not to exceed that rolling average. Group passes increase each year, and from 2005-2009 including this 8.8% would have increased group passes 31.7%. Still, LTD pricing seems favorable. Mr. Vobora stated that he had investigated 15 to 20 university programs around the country and some may be funded at a much higher level than LTD's.

EmX Fares: Only 9 percent of riders do not pay a fare. It was planned that fares would be charged with the implementation of Pioneer Parkway EmX. Staff are continuing the evaluation of whether the expenses (fare machines, etc.) incurred in capturing that 9 percent are cost effective. Staff recommend continuing the cost benefit evaluation and return to the Board with more information in the future.

Mr. Evans inquired if the technology used to capture that fare on EmX would be similar to that used by light rail. Mr. Vobora replied it would be simplest to have a fare machine on the vehicle that sold tickets, and personnel would be on the busses randomly checking passengers to ensure that riders had paid a fare.

Breeze Fare: The intent of the original 25-cent fare was to entice business people in the Country Club Road area to ride the Breeze downtown for lunch instead of taking their vehicle. As part of the Triennial Audit, it was discovered that a half-fare should also be provided, even though this was a special fare and below the half-fare charged on the system. Mr. Vobora stated that staff recommend increasing Breeze fares to match the rest of the system.



Holiday Taxi Program: The Board previously approved a change that would increase reimbursement in the coming year from \$10 to \$20--good for travel on those two days. It is used very sparingly. The past two holidays, less than 40 people took advantage of the program. One argument would be that since not too many people are using the program, it isn't difficult to administer; however, it is another program requiring advertising, communication, and administration costs. Staff recommend elimination of this program.

Mr. Necker inquired if elimination of this program would also eliminate the taxi vouchers issued to RideSource users. Mr. Vobora replied that the elimination would apply to all taxi reimbursement.

RideSource Fare: The RideSource fare is two times the cash fare so no change is recommended to the fare structure that will go into effect on July 1, 2008.

Honored Rider Program: With moving the effective age for the Honored Rider program from 70 to 65, the phaseout of the senior category was discussed. The Adult category then would be ages 19 to 64. Due to the difficulty of explaining the phaseout process, staff do not recommend a phaseout, but rather recommend having the effective age be 65 beginning on the effective date. This affects 1.3 percent of riders in the 62-64 age group.

Mr. Necker inquired if there would be the elimination of half fare for age 62 first, and then 63. Mr. Vobora confirmed that the five-year age difference would be phased out over a three-year period. By federal law, LTD is mandated to offer a half-fare at age 65, but LTD is exceeding that by offering a free fare. With the implementation of the suggested change this year, riders age 62-64 would become full-fare riders.

Mr. Evans asked that with the number of potential riders of the baby boomer generation, and with the price of gas going through the roof, would the District be "cutting its nose to spite its face" in terms of revenue capture with making fares free at age 65, rather than age 70, or would the difference be negligible? Mr. Vobora responded that this change would affect only 1 percent of riders in that category. The purpose of this change would be to get riders used to the bus and less likely to use RideSource, which is much more expensive to operate.

Mr. Vobora then concluded this portion of his presentation by mentioning that the reason staff need affirmation to move forward is that if these changes are to be timed to go into effect along with changes that the Board has previously adopted, an emergency ordinance process would occur at the June 18 regular Board meeting. The process would consist of a public hearing, two readings, and then adoption. Mr. Vobora stated that if the Board needed further direction, the adoption would be delayed and have a later implementation date; however, this delay would result in inaccuracies in the *Rider's Digest*.

Mr. Eyster requested that this item be discussed further after completion of the evening's Executive Session.

Mr. Pangborn mentioned that it was inevitable that there would be service cuts in the fall of 2009. At that time, the District would be asked about what is being done to increase revenue. The answer is to first begin with fares. Mr. Pangborn then stated his belief that if the District cuts service and increases fares at the same time, it will double the pain and confusion of what is going on. If it is decided to raise fares, it is better to do that as soon as possible and see what the effect is. Then there would be a sense of what is happening, and the District could avoid being criticized for cutting service at the same time.

**EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e) and ORS 192.660(2)(h) – Mr. Eyster** stated that the Executive Session is estimated to last approximately 15 minutes.

**MOTION** It was moved by Mr. Dubick and seconded by Ms. Davis that the Board meet in Executive Session pursuant to ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions, and pursuant to ORS 192.660(2)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

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

**Comment [JS1]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS2]:** Amended, see minutes of September 17, 2008, regular Board meeting.

The Board entered Executive Session at 6:15 p.m. Attorney John Arnold was present for discussion with the Board.

**RETURN TO REGULAR SESSION -** The Board returned to regular session at 6:34 p.m.

**EMPLOYEE OF THE MONTH -** Lead Journeyman Mechanic Tom Shackelford was unable to attend the Board meeting.

**AUDIENCE PARTICIPATION -** There was no one present who wished to make a statement.

**ITEMS FOR ACTION:**

**Consent Calendar -** The consent calendar consisted of minutes of the March 19, 2008, regular Board meeting and approval of revised the LTD Drug & Alcohol Program.

**MOTION** Mr. Evans moved approval of LTD Resolution No. 2008-016: It is hereby resolved that the Consent Calendar for May 21, 2008, is approved as presented. Mr. Kortge provided the second.

**VOTE** The Consent Calendar was approved as follows:  
AYES: Davis, Dubick, Evans, Eyster, Gaydos, Kortge, Necker (7)  
NAYS: None  
ABSENTIONS: None

**Comment [JS3]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS4]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Pioneer Parkway EmX Project -** Facilities Services Manager Charlie Simmons reiterated that the 30 percent drawings were submitted to the City of Springfield for review. Staff worked with the City Council during three separate work sessions held in February, March, and April, and the City Council approved a resolution at its regular meeting on May 5.

Many issues were discussed at each work session including safety, station locations, property impact, public outreach, and others. At each work session, there were questions concerning the crossing of the bus lane with the multi-use path. Four different ideas were put to staff and were researched. Mr. Simmons directed the Board to a diagram, indicating the preferred solution was shown in red and was designed as an at-grade crossing. The grade separation option would cost \$1.5 million, based on a raised pedestrian crossing. After much discussion, safety enhancements were added to the design. Mr. Simmons referred to drawings, pointing out the

multi-use path was designed to slow pedestrians and bicyclists who would have to turn and cross the bus lane. Mr. Simmons also pointed out the vehicle detection device that is triggered as the vehicle is approaching, stopping pedestrian traffic from crossing the bus way. Mr. Simmons referred to fences and lighting on a rendering. He added that the 35 MPH speed limit would be quite safe. A bus will be going through the area once every 10 minutes. Mr. Simmons added that the signals are audible.

Mr. Simmons said that stations were another area of concern. On the northern section of International Way the three stations have center platforms and are not at signalized intersections. Mr. Simmons pointed out on the diagram a treatment for customers to cross to the platforms. Because of the safety concerns, beacons will be installed at the areas indicated in order to notify the vehicles of pedestrians crossing. This treatment works well at lower speeds (Harlow and Gateway); other treatments exist for higher speeds.

Betterments were another consideration. Mr. Simmons stated that improvements were made to some of the intersections along the way. That will be explored in further detail during the budget portion of the project.

Two of the remaining issues regard ODOT comments on the 30 percent design. ODOT asked staff to put in bike lanes along Pioneer Parkway East and West, From Main Street to Centennial, even though a multi-use path already exists. City staff in addition to LTD staff questioned the logic of taking away part of the parkway for additional bike lanes. Staff have since learned that any new development, especially at ODOT facilities, needs commuter bike lanes. This request is currently under review at Region and staff are hopeful that this requirement will be changed.

Shoulder width is the second concern. The ODOT standard requires six-foot shoulders, even through an urban area with ODOT facilities. To address this requirement, LTD must request a design exception, which will hopefully have the support of ODOT's region office.

Mr. Simmons continued by clarifying the two jurisdictions: Pioneer Parkway is a State road from South A Street to Q Street; roadways north of that are City. The intersections are under ODOT's jurisdiction and operated by the City of Springfield.

Mr. Simmons continued with the next items for consideration.

IT Infrastructure: A decision needs to be made fairly soon as to the type and number of fare machines to be used, whether or not they will be put on all platforms, and whether or not they will be installed on Franklin and on Pioneer Parkway.

Springfield Station Modification: Bay G currently accommodates articulated buses, but not at the raised platform. Different designs will be considered, as well as different maneuvers of two EmX vehicles arriving at the EmX station at the same time. As the budget is reviewed in the future, this may be a point for further discussion.

Q Street Intersection Improvements: There is a split station at this location as well as a good deal of congestion at Q and Pioneer Parkway during peak times. Buses would have signal priority going through that intersection and this project provides the opportunity to create concurrent lefts at the same time. The City is requesting improvements at this intersection, but District staff have yet to determine what those improvements are. A traffic analysis currently is being completed, and this is an issue that needs to be resolved.

During the three months to receive approval for the 30 percent drawing, staff have continued working towards 70 percent drawings, which will be delivered to the City tomorrow for its review. Mr. Simmons stated that in moving forward, there is always the chance to have to take a step back in design. It has been staff's experience that it's cheaper to move forward and then change smaller items as needed along the way.

Property Acquisition: Mr. Simmons continued with the report that after City Council approved the project, property owners have been contacted, and the property acquisition will be in process very soon.

Permits and Construction: Mr. Simmons pointed out that the schedule reflects completion by Fall 2010, which should be considered late fall (through December). Mr. Simmons requested some flexibility on that timeline since construction season is through early November. Consideration should also be given to the time necessary to train bus operators.

Gateway Station: Design has been moving along and has gone out to bid. Bids were in the \$2 million range, which is 10 percent over the cost estimate for the project. Brown Construction was awarded the bid. It is hoped that construction can begin in the next few weeks and that the station is open by the holiday season.

Mr. Viggiano turned the Board's attention to the project's \$37 million budget that came from the locally preferred alternative (LPA) design adopted two years ago. Funding includes 80 percent from Small Starts, which is just under \$30 million; ConnectOregon is providing approximately three-quarters of the local match; and LTD is contributing approximately 5 percent. To that \$37 million, it was decided that a fifth EmX vehicle was needed to guarantee service delivery. That additional \$1 million cost became a United Front request submitted earlier this year and is still pending. So the base budget has now been set at \$38 million. Mr. Viggiano then divided the costs for design components as follows: most of the costs are for Pioneer Parkway; and International Way is a separate design that will actually be bid as a regular bid project designed by Lane County, but part of the same corridor. Other costs include Gateway Station, right-of-way costs, vehicle costs, permits, fees, staff time, and testing.

A new cost estimate accompanies the 70 percent design. Most design decisions are complete and the new cost estimate is approximately \$43 million, which is approximately a 10 percent increase. The hope is to bring the cost back down as close to the original \$38 million as possible.

Staff reviewed the changes since the LPA was approved. Design costs have increased and property acquisition, which is being done by Lane County, has increased substantially. The commercial value of property has increased much faster than expected. Changes in construction included betterments that were negotiated with the City of Springfield. Much of the betterment costs are from median improvements, including fencing, landscaping, and path crossing, and added up to a considerable amount. The Council resolution related to Q Street traffic improvements limits one aspect of LTD's costs to \$250,000, but other aspects exist as well. Added together, these costs total approximately \$4 million over the LPA estimate. Staff will review these numbers carefully. However, there are items such as art (estimated to be approximately \$260,000) the grand opening, and marketing, that are not included in the estimate.

Based on Council direction, service through the Beltline-Gateway intersection operates in mixed traffic. This needs to be reviewed carefully since that intersection has the single most significant

delay in the entire corridor. If options to get through that intersection more efficiently are discovered, there may be costs associated. .

Mr. Kortge inquired as to the options for Beltline/Gateway. Mr. Viggiano responded that if the intersection stays as is, there is the option of adding a right-turn lane that can be used as a through lane by EmX buses traveling northbound through the intersection, which would speed up the process since right turns can be made on a red light. A similar option is being considered for southbound traffic in an attempt to get buses through more quickly in a lane where other traffic would not be allowed. These and other options cost money and also impact property, so they may be difficult to implement.

Mr. Viggiano stated that the next step is going through value engineering and cost reduction processes. The designers have been asked to review the design and make suggestions. When a contractor is on board, that firm will be asked to review the design as well. If it is not possible to bring the costs back down to the original budget, other options will be considered to fund additional costs, and those options will be brought to the Board.

Mr. Evans reflected on the \$3-4 million shortfall and asked where these additional funds may come from. Mr. Viggiano responded that funding may be possible from the BusPlus program for progressive corridor improvements. The funds have not been used and still exist. There may be funds available from other capital projects that also could be used. Additional funds could be requested from the federal government through Congressman DeFazio. However, that process takes longer and is not guaranteed.

Mr. Evans inquired if JARC funding could be leveraged. Mr. Viggiano replied that it would need to be justified as serving low income areas, and that option could be reviewed.

**ITEMS FOR ACTION**

**Pioneer Parkway EmX Property Acquisition** - Mr. Viggiano directed the Board to the handout list of properties that could be affected. The agreement states that LTD could acquire property through purchase that is up to 40 feet from the edge of the right-of-way. This would exceed a typical purchase. No businesses or residences will be displaced.

In response to a question from Mr. Eyster, Mr. Viggiano said that this process would not be voluntary on the part of property owners. Acquired property could be condemned as is standard practice for a public agency, although a negotiated settlement is always the preferred option.

**MOTION** Mr. Evans moved approval of LTD Resolution No. 2008-017, authorizing the Lane Transit District to acquire by purchase or by the exercise of the Power of Eminent Domain certain Real Property necessary for the Pioneer Parkway EmX as represented in the Resolution. Mr. Dubick provided the second.

**VOTE** The resolution was approved as follows:  
 AYES: Davis, Dubick, Evans, Eyster, Gaydos, Kortge, Necker (7)  
 NAYS: None  
 ABSENTIONS: None

**Comment [JS5]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS6]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**LTD Contract Review Board**

MOTION It was moved by Mr. Evans and seconded by Mr. Kortge that the regular meeting be adjourned, to be reconvened as the LTD Contract Review Board.

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

**Comment [JS7]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS8]:** Amended, see minutes of September 17, 2008, regular Board meeting.

The Board reconvened as the LTD Contract Review Board at 6:15 p.m.

LTD Purchasing Manager Jeanette Bailor began with background information on the contracting process. Historically, all construction for the District has been procured using a low-bid method of contracting—with one exception: in 2002, LTD entered into a Construction Manager/General Contractor (CM/GC) contract with Wildish Building Company for the Franklin EmX Corridor. A CM/GC is a construction contractor that is hired based on qualifications and price during the design of the project and allows contractor input during the final design in the form of constructability review, and provides second-party cost estimates during the design phase. The CM/GC works in conjunction with LTD and the design team during the first phase of the project. During the second phase, the CM/GC comes together with LTD and gives a guaranteed price for the project. Final design documents are received and a change order is signed for the agreed amount. The contract may be terminated at this point if a guaranteed maximum price is not negotiated. If that happens, the standard low-bid method of contracting would be used.

Ms. Bailor continued by stating that the Pioneer Parkway EmX project has been broken into three separate construction contracts. Staff recommend that the first two contracts, Gateway Station and International Way, be bid using the low-bid method of contracting. The Gateway Station contract is ready to be signed next week. Staff believe that the CM/GC method of contracting is the most appropriate for the Pioneer Parkway/Gateway Station's contract.

In order to meet the requirements of Oregon Statutes, a public hearing needs to held and show findings behind the reasoning for supporting a construction contract method, rather than a low bid method. Exhibit A in the Board packet details the Oregon Statute. Those findings include various information showing that it is unlikely that the exemption will encourage favoritism in awarding the contract or substantially diminish competition, that the method used will result in cost savings, and that this project presents a new type of construction with technical complexities that are best addressed using a team approach.

At this time, Ms. Bailor asked for questions and public comment.

Mr. Evans was concerned about the issue of women and minority contractors being involved in the process, citing the example of ODOT receiving a backlash from its failure to properly utilize minorities and women in its contracting process. He said his desire is that LTD give fair access to anyone seeking to bid on any portion of the contract. Ms. Bailor responded that generally disadvantaged business enterprises (DBE) aren't able to bid as the general contractor for a contract of this magnitude. If they were able to bid, they wouldn't qualify as a disadvantaged business enterprise because this is a \$21 million contract; they would be bidding as a subcontractor. The CM/GC, as part of the contract, has to provide a plan as to how they will utilize disadvantaged business enterprises as subcontractors. Utilizing small businesses is not

part of the federal requirements, but LTD may certainly include that as part of what is desired from a general contractor.

Mr. Evans reiterated that he would like to see that requirement in the contracting process.

Mr. Eyster asked that, based on experience with the Franklin Corridor project, will the District be successful with this approach. Ms. Bailor responded that the lessons staff learned in that project give every indication that this approach in the current project will work very well.

Mr. Eyster revisited the subject of success in attracting minority contractors. Ms. Bailor responded that the process should be successful. Requirements for the CM/GC reflect the federal requirements, as would be required with a general contract. Also, the CM/GC is required to bid out 90 percent of the contract and LTD retains oversight of that part of the process.

Mr. Evans inquired as to the level of participation in the Franklin corridor. Ms. Bailor did not have the exact figure, but believed it was about 4.5 percent.

**Public Hearing:** Mr. Eyster opened the floor to public comment.

**Sean Emerick**, Eugene, works for a construction company and believes that the process doesn't work if the CM/GC acts as the general contractor and has a general interest in doing the work themselves, which is what occurred in the Franklin Corridor project. With regards to Ms. Bailor's remarks that the general contractor is limited to performing 10 percent of the work, it seems that since the bidding process goes through the CM/GC, contractors are bidding to other contractors' competitors. Mr. Emerick listed the jobs performed by the CM/GC in the Franklin project, such as grading and aggregate placement, and the CM/GC was the only bidder on much of the work performed outside the 10 percent limitation. This did not seem a good example of the competitive bid process.

Mr. Evans asked Mr. Emerick that, in his experience, what is the best way that LTD could include as many bidders as possible to get the best work product. Mr. Emerick responded that the best way to avoid this problem is through competitive bid, and the best way to accomplish that is to have a design that is clean and easy—something that is difficult for LTD in this situation because of the complexity of the project. He suggested setting goals in order to gain interest in getting a variety of bidders included in the process.

Mr. Pangborn reminded those present that there are three pieces to the project, including Gateway Station and the International Way corridor, which are going to be bid out to single low bid because the County is in charge of International Way and the Gateway decision has already been made. The section that is affected by this process is from Harlow Road to the Springfield station and stations on Harlow and Gateway.

Mr. Simmons reiterated that International Way and Gateway account for \$4.5 million of the \$24 million that will be LTD's bid. The majority will be CM/GC and the 10 percent of that is self-performed. The CM/GC does have the advantage when the rest of the work is bid out in that they are present and mobilized. Mr. Simmons acknowledged that there are pros and cons to every CM/GC project, but also stated that he believes that LTD gets the most for its money overall with the CM/GC process. The guaranteed maximum price (GMP) may be higher, but that is known when the contract is signed, and the CM/GC usually works within that GMP.

Mr. Eyster inquired that if the final cost of the project is \$42 million, what amount would go to the CM/GC? Mr. Simmons answered that Pioneer Parkway construction is approximately \$20 million; the CM/GC would receive 10 percent of that work, and they would bid out the rest.

When asked to clarify the amount in construction cost only, Mr. Simmons corrected the beginning amount stated earlier to \$25 million; then reduced by \$4.5 million, comes to \$20 million, leaving \$2 million up front to the CM/GC, with the remainder to be bid out. Mr. Simmons stated that most contractors do not perform electrical or structural construction and would bid out those projects. General contractors are usually competitive at site work and concrete. Few linear projects like Pioneer Parkway use CM/GC's that have experience with civil projects.

In response to a question from Mr. Dubick, Mr. Simmons mentioned that two Requests for Proposals were received for Franklin Boulevard: (1) Wildish Construction, and (2) Stacey and Witbeck, the company that performed the light rail work in Portland. Mr. Pangborn pointed out that only CM/GC's were used in the Portland light rail project and that allowed TriMet to be assertive with pursuing minority and women-owned businesses. The limitation in LTD's project is the availability of qualified contractors that meet the criteria.

Mr. Eyster closed the public hearing.

**MOTION** Mr. Kortge moved approval of LTD Resolution No. 2008-018: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves the use of a competitive request for proposals process for a construction manager/general contractor for the Pioneer Parkway EmX construction project. We further move to delegate authority to the General Manager to sign a contract with the selected CM/GC contractor after the selection process has been concluded. Ms. Davis provided the second.

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

Mr. Eyster adjourned the Contract Review Board and returned to the regular Board meeting.

**REVISION OF ORDINANCE 24 GOVERNING DISTRICT BOUNDARIES** - Mr. Vobora introduced the discussion as related to the Annual Route Review, changing routes 93 and 95 Junction City, to make those area boundaries consistent with the 2.5 mile standard applied to other rural boundaries. Mr. Vobora referred the Board to the boundary map included in the meeting packet. Due to the number of businesses that would be removed from the District boundary, the impact of these changes to revenue is estimated to be approximately \$30,000 to \$40,000. Changing the boundary at this time, however, is not required. If service in that area were reinstated or changed in the near future, the Board may choose not to change the boundary at this time. It should be noted that affected businesses in the area may voice concern if this change were not made.

**MOTION** Mr. Evans moved approval that Lane Transit District Ordinance 24, an ordinance describing the territorial boundaries of the District, be read by title only. Mr. Kortge provided the second.

**Comment [JS9]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS10]:** Amended, see minutes of September 17, 2008, regular Board meeting.



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

**Comment [JS11]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS12]:** Amended, see minutes of September 17, 2008, regular Board meeting.

Following the affirmative vote, Mr. Evans then read the title: "Lane Transit District Ordinance 24 (2008 Revision), Describing the Territorial Boundaries of Lane Transit District."

**Selection of Pension Trustee** - Mr. Pangborn reported that LTD has two pension trusts: the first is the Lane Transit District/Amalgamated Transit Union (ATU) Pension Trust, and the second is the LTD Salaried Employees Retirement Plan. Historically, each has a trustee that represents the Board. The trustee has been the Board president in the past; however, that is not required. With the upcoming change in Board leadership, this is an opportune time to assess this tradition. Considering the increasing responsibilities of the Board president and the additional responsibilities of the pension trustee, it is recommended that the Board choose someone other than the Board president as trustee.

Mr. Eyster stated that a Board member with extensive experience as trustee is interested in continuing in the role as trustee.

MOTION Mr. Kortge moved approval of LTD Resolution No. 2008-019: The LTD Board of Directors hereby adopts a change in past policy/procedure to allow the Board to select any member of the Board of Directors to serve as trustee of the LTD/ATU Pension Plan and the LTD Salaried Employees Retirement Plan, rather than assigning this role to the Board president. Mr. Dubick Provided the second.

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

**Comment [JS13]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS14]:** Amended, see minutes of September 17, 2008, regular Board meeting.

MOTION Mr. Kortge moved approval of LTD Resolution No. 2008-020: The LTD Board of Directors hereby approves the continuation of Board Member Gerry Gaydos as trustee of the LTD/ATU Pension Plan and the LTD Salaried Employees Retirement Plan until such time as he resigns as trustee or is no longer a member of the Board of Directors. Ms. Davis provided the second.

In response to a question from Mr. Necker regarding the position's term of service versus permanent appointment, Mr. Eyster referred to the motion that defines the term as "such time as he resigns or is no longer a member of the Board."

Mr. Kortge stated that by definition of a Board member, the trustee only would serve two terms. He also agreed that it was beneficial to have someone with experience in the position.

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

**Comment [JS15]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**Comment [JS16]:** Amended, see minutes of September 17, 2008, regular Board meeting.

**ITEMS FOR INFORMATION:**

**Health For Life Committee Update** - Director of Human Resources and Risk Management Mary Adams gave a brief background of the Committee, which was created by the Joint Insurance Committee as a means of bringing wellness activities to LTD employees by implementing programs that address health issues. Ms. Adams introduced Health for Life Committee Chair Dirk Beaulieu.

Mr. Beaulieu introduced other members of the committee: Zach Fish, Customer Service; Pat Rather, Administration; Steve Rayack, Employee Council; Tom Shackelford, Journeyman Mechanic; Sherry Watson, Bus Operator; and Kim Nicholson, Wilson-Heirgood Insurance Broker. Mr. Beaulieu stated that the program focuses on key disease areas that face employees and opportunities for improved employee health, and is also designed to create a culture that promotes an improvement in the overall health of LTD employees and their families. Through various activities and educational materials the Committee also addresses the importance of implementing a healthy lifestyle through healthy eating, exercise, and a focus on heart health.

The Committee developed a Vision Statement: "Each individual will take an active role in his or her own well being through healthy decisions and behavior and will encourage a healthy and fulfilling life."

Mr. Dubick mentioned a Wellness Program that was implemented through 4J schools that extends monetary incentives to employees experiencing back problems by offering reimbursement for the cost of a particular exercise class developed to address back problems.

Mr. Beaulieu responded that the Committee was looking into similar incentive programs.

**Board Member Reports**

APTA Authorization Committee: Mr. Evans distributed a memorandum that summarized the twelve principles discussed at the last Authorization Committee meeting that was held in Austin the previous month. Mr. Evans directed the Board's attention to one item in the memorandum: the Committee is asking for \$123 billion over the six-year authorization period. Mr. Evans pointed out that congress is scaling that back from the original \$500 billion that is being considered for the entire transportation authorization, which includes highways, to reduce the amount to \$450 billion. Mr. Evans stated that transit needs to be more aggressive in putting its case before the American public. More discussion needs to be made in the public sector concerning gas prices and getting more people to use public transit. That discussion will continue at the next APTA conferences in San Francisco and San Diego.

Mr. Evans then mentioned that he, Mike Eyster, and Michael Dubick will be attending the Transit Board Members Conference in Seattle in July. The Board members plan to lobby for the Conference to come to Eugene in 2010. Lane County Commissioner Bobby Green may be going to Seattle with the Board members to do a presentation on behalf of the Convention and Visitors Association Lane County Oregon (CVALCO). Mr. Evans felt that it is important for this

community to be more prominent on the national stage, promoting the good things being done locally.

Mr. Evans then mentioned that CVALCO will be bringing to Eugene a couple of national board members: Randy Wright, City Councilor, Norfolk, VA and Transit Board Members Committee Chair; and Flora Castillo, New Jersey Transit Board member and Vice Chair – Transit Board Members on July 4-7, to tour Lane County to see what the community has to offer the Conference in 2010.

Mr. Evans then stated his intent to run for Secretary of the National Transit Members Board.

In response to a request from Mr. Evans regarding Small Operations, Mr. Viggiano mentioned that funding comes in two categories: 5307 formula funds of about \$4 million per year, and 5309 program discretionary funds for buses, New Starts/Small Starts, and funds to support rail and guideway maintenance. It has been suggested that some of the bus money be allocated by formula. That means that the formula funding would be increased, which means that less discretionary money would be available in the bus category. It also would mean another \$500,000 per year to LTD. Staff believe that it is better to have the larger pot of discretionary funds--and have done well to get that money--than the \$500,000 annual allocation.

Metropolitan Policy Committee (MPC): Mr. Pangborn reported that a quorum was not present at the last MPC meeting so business was not completed. LTD staff will give a presentation to the Committee in the near future concerning LTD budget problems.

West Eugene EmX Extension Corridor Committee (WEEE): Director of Planning and Development Tom Schwetz stated that the last meeting was held to bring the Committee members up to date on staff activities since the Board's adoption of the scoping alternatives.

Transportation Commissioner Alan Brown Briefing: Mr. Pangborn stated that LTD hosted a lunch meeting that introduced the Commissioner to various members of the community.

Springfield City Council Meeting: Mr. Eyster stated that the meeting was a success.

**Charter Regulations**: Mr. Vobora referred the Board to the agenda item summary's explanation of the item.

**Financial Report**: Director of Finance and Information Technology Diane Hellekson stated that the District's fiscal year is nearly at a close. She reported that the payroll tax situation looked very strong at the end of April, but lost ground during the first part of May, and it appears that a few disbursements are later this month than during this same period last year. That information will be available at the June 9 Board meeting.

Ms. Hellekson reported that ridership is very strong and continues to grow, and fare revenue appears to be very healthy. With the exception of fuel prices and Accessible Services, the District should finish the fiscal year in very good shape.

**Revision of Ordinance 24 Governing District Boundaries**: Mr. Vobora asked the Board if they wished to go with the staff recommendation as outlined, which would be brought before the Board in the form of an ordinance change at its June 18 meeting. He then stated that if the Board decided against the recommendation at this time, the timeline could be extended. The revenue

impact by the suggested changes is estimated to be \$180,000 per year, which is less than 1 percent of service. All of the other changes that have been adopted are estimated to produce approximately \$900,000 in additional fare revenues during the next year.

Mr. Dubick voiced his agreement that another percent of service is worth pursuing at this point. He stated that LTD's public action needs to reflect its public statements as to the seriousness of the situation. He believed that the logical next step is to maximize fares. If 1 percent of service can be saved, it should be done.

Mr. Kortge mentioned that the District should be sensitive to the public's perception of reducing the age of the Honored Rider, as well as giving more data on the reality that EmX isn't necessarily free.

Mr. Evans asked for further discussion at the June 9 meeting on developing the Citizen's Advisory Committee (CAC). The District is going through the process of cutting service on the heels of increasing fares, with the second EmX line coming on board. That is a difficult combination to sell to the public, who may not be able to differentiate the funding among each. Educating the general public and business community as to what the District is trying to do should be part of the plan.

Mr. Vobora responded that staff are doing research among different transit agencies around the country as to whether or not they have a general CAC, staffing requirements, etc. Staff will be returning to the Board in the future with a recommendation concerning the CAC. The issue of general funding during the next few years also needs to be addressed before bringing the issue before the community with another suggested funding source.

Mr. Necker suggested coordinating an effort with Mayor Piercy concerning these issues.

Mr. Vobora discussed the service redesign analysis, stating that more information would be provided to the Board in June, with more data gathering during the summer. The types of service changes available are not new and details will follow at the June 9 meeting. Service design and delivery methods will be explored, including grid system, feeder-trunk-type system, and other options.

At this time, it is unknown if 6 percent cuts, which require some modification of the system, or 20 percent cuts, which will require a complete re-working of the system, will be necessary. When that information is known, staff will be in a better position to make recommendations to the Board on June 9.

Mr. Vobora stated that the issue of productivity versus coverage is important. Ridership is up, so the most logical approach would be to keep the most productive routes that serve the most people; however, there are also consequences to rural service and to direct service to schools. There are also Title VI considerations. Areas that are affected may house a large number of minorities and low income persons. Service changes may not be made in a manner that is inequitable to those populations.

Mr. Vobora referred the Board to a spreadsheet reflecting service change options and the estimated effects of each. As an example, cutting the service to the Campbell Center could have ramifications to RideSource costs since bus riders would now turn to RideSource at a much higher cost to the District. The spreadsheet suggests a rather aggressive timeline. Staff will

request a decision from the Board in December, which is sooner than the usual March timeline. Time for public input also needs to be accounted for in the timeline. Alternatives will be developed in June through August; public input process will occur in August through November; official hearings will occur in October and November, with a Board decision in December, and implementation in September 2009. During the period between the hearings and Board decision, modifications may be made to accommodate public input received.

**ADJOURNMENT** – The meeting adjourned at 8:24 p.m.

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Board Secretary

LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING/  
STRATEGIC PLANNING WORK SESSION

Monday, June 9, 2008

Pursuant to notice given to *The Register-Guard* for publication on June 5, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting/strategic planning work session on Monday, June 9, 2008, beginning at 3 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Gerry Gaydos, President, presiding  
Mike Dubick  
Mike Eyster, Vice President  
Greg Evans  
Dean Kortge, Secretary  
Ed Necker  
Mark Pangborn, General Manager  
Jo Sullivan, Clerk of the Board/Minutes Recorder

Absent: Debbie Davis, Treasurer

**CALL TO ORDER** – Mr. Eyster called the meeting to order at 3:14 p.m. Mr. Gaydos was not yet present.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Pangborn introduced Warren Wong, who had been invited to participate with the Budget Committee as an interested person. He also thanked Budget Committee member Darrel Williams for attending.

**STRATEGIC PLANNING SESSION**

**Latest Budget Information** – Director of Finance and Information Technology Diane Hellekson introduced this topic and said that staff would be asking the Board for direction on budget reduction options. She noted that the Budget Committee had approved \$3.75 as the average per-gallon fuel price for Fiscal Year 2008-09, but the price already had reached \$3.89. Payroll tax receipts had grown by 8.4 percent, largely due to construction projects. Ms. Hellekson said that a slowing of the growth rate had to be factored in. She explained that the payroll tax revenues had increased 8.4 percent—5 percent in overall growth, and 3.4 percent due to a two-step rate increase. This rate was projected to be 2.8 percent in the future, and then lower in outer years.

Mr. Gaydos asked how much the payroll tax receipts were affected by the slowdown in residential construction. Ms. Hellekson replied that the last time staff looked into this, residential housing had not been a major factor. However, delays in huge projects, especially public projects that were subject to the Davis-Bacon Act, would have a major impact. Mr. Pangborn stated that there had been a 5 percent growth rate to that point, and asked the Board to keep that in mind during the evening's discussions. He added that if LTD had to cut service, there would be no way to do that so that no one lost service, since LTD did not run service that no one rode.

Mr. Gaydos arrived at 3:25 p.m.

**Service Reduction Analysis** – Director of Service Planning, Accessibility, and Marketing Andy Vobora stated that planning for possible service reductions was at the idea stage, and there were no specific recommendations at that point. He asked the Board to talk at a macro level about objectives and what they wanted to accomplish, maybe even to the point of a service redesign.

Mr. Vobora used a PowerPoint presentation to discuss redesign objectives and a restatement of the Service Policy. He explained that the ridership standard for routes was 67 percent of the system average. This was a floating standard that went up as the buses became fuller. Productivity and coverage were allocated in the system at 80 percent and 20 percent, respectively. Mr. Vobora said that a new issue to consider resulted from Title VI rulings requiring that systems ensure that they were serving lower-income populations. Other service issues to consider were 60-minute headways, a timed-meet pulse system, and stop spacing at 1,000 feet. Mr. Vobora noted other scheduling issues as well, such as school bell times, in order to meet the needs of middle and high school students.

Additional issues for consideration were the need to meet budget objectives, including the impact of dramatically increased RideSource use, maximizing peak bus use, and the transit equity considerations and mandates of Title VI of the U.S. Civil Rights Act. Mr. Evans said that the Title VI issues were for underserved populations, not just minority populations, but rural as well.

Mr. Kortge thought that some of the issues were service related rather than economic, such as the grid versus radial system. Mr. Vobora discussed some service elements, including productivity on the different days of service (weekdays, Saturdays, and Sundays).

Mr. Vobora discussed additional issues for consideration, including span of service, midday frequency, reduced coverage, and cross-town service. He explained a three-phase outreach program. Following Board feedback, LTD would be accepting feedback throughout the summer. During June through October, staff would be developing alternatives. Public involvement would occur from August through November, with public hearings in October and November, and the Board would be asked to make a decision about FY 2009-10 service in December 2008. New service levels would be implemented in September 2009.

Mr. Wong asked what would happen if the economy took a stronger dive mid-year, since Oregon typically lagged behind the national economy. Mr. Vobora said that the Board would be working from a priority list for service, but these issues would have to be known soon in order to make changes in February 2009.

Mr. Evans said that a lot of people thought that LTD was spending money needlessly on EmX and cutting service. He stated that this was a complicated issue that LTD had to meet head on. Mr. Vobora replied that EmX was a long-term strategy and operationally productive. Mr. Necker wanted to be sure that the public was educated about these kinds of projects being federally funded. Mr. Pangborn stated that this was part of the full range of what LTD would be looking at, as well as a full redesign. He stressed that the course had not yet been set.

### **Other Possible Cost Savings**

Budget Reduction Options: Administrative Personnel, FY 2008-09 – Assistant General Manager Stefano Viggiano called attention to page 7 of the meeting packet. The first paragraph explained that the number of bus operators was determined by the amount of service that was provided, as

were some other positions that supported service a little less directly, such as mechanics. Other positions that provided critical support services not directly tied to service on the street were required in order to maintain LTD programs. Mr. Viggiano explained that LTD had a performance objective to maintain administrative overhead expenditures at less than 20 percent of the operating budget; currently, those expenses were at approximately 17 percent.

Mr. Kortge asked if grant-funded positions could be used to pay for fuel. Mr. Viggiano and Director of Planning & Development Tom Schwetz explained that those discretionary, project-related capital funds could be used for specific projects only. Mr. Pangborn added that Commuter Solutions funding could not be used for operational expenses.

Mr. Viggiano stated that staff were not recommending eliminating other administrative staff positions. Staff were working at capacity, so eliminating positions would mean eliminating work products.

Mr. Gaydos stated that the Eugene mayor's race might be making an issue of travel expenses. Mr. Pangborn stated that this could be a recommendation in "Plan B" if the local economy took a harder dive. Mr. Kortge said that a salary freeze meant a lot to the public, so he would not take that off the table yet.

Budget Reduction Options: Materials & Services – Mr. Viggiano then discussed recommendations for reductions in Materials & Services, found on pages 9 and 10 of the packet. He noted that these would not be one-year reductions. If agreed to, they would be programmed into the Long-Range Financial Plan.

Mr. Kortge asked again about travel. Mr. Pangborn replied that reductions in travel were fairly minor, at his direction. He explained that in the past when there were financial downturns, travel and training had been cut back more extensively. When adding a training specialist position, LTD had made a commitment to training and increasing the competency of the staff. He said that staff were being asked to do more with more skills, and he also wanted them to maintain their professional contacts and networking, which he described as critical to running an effective operation. He stated that staff were very careful to focus on learning specific skills, with no extraneous "perks" built in. He said that all staff travel expenses combined amounted to \$120,000.

Mr. Wong asked if LTD had considered outsourcing anything. Mr. Viggiano said that they had not considered additional outsourcing areas. He explained that each department looked at its own budget, but he was not aware of anyone talking about outsourcing. Mr. Wong suggested that payroll could be outsourced, as an example.

Mr. Williams left the meeting at 4:40 p.m.

Mr. Gaydos asked about local police and security staffing. Mr. Pangborn said that having Eugene Police at the Eugene Station had been valuable. In the future they would be paying to rent the space, but LTD would continue to pay for part of a police officer. Mr. Pangborn stated that a mobile Wackenhut security officer position had been included in the recommended reductions.

Mr. Gaydos wondered if LTD would have to do more if public safety staffing were reduced county-wide. Mr. Viggiano said that LTD would have to watch that issue closely.



Budget Reduction Options: Capital Expenditures – Mr. Viggiano explained that if LTD eliminated discretionary capital projects, the capital money would be lost to LTD, but that the 20 percent for matching funds would be available for operations. He stressed that this would be a one-time savings. With federal formula funds, he said, there was an opportunity to use them for certain operational needs. As a short-term solution, staff were recommending that approximately \$1 million in formula funds a year for three years be used to fund RideSource. A list of recommendations for project elimination, reduction, or delay began on page 12 of the agenda materials.

Mr. Kortge wondered how LTD would recover the capital local match funding if these funds were spent. Mr. Viggiano replied that the Board would have to put funds back in the Long-Range Financial Plan, but the funds that were spent down would be gone.

Mr. Viggiano noted that projects not being recommended for elimination were described on page 14. He noted that Bus Plus (progressive corridor enhancement) funds could be used for some aspects of the Pioneer Parkway Corridor project, including a fifth vehicle.

Mr. Viggiano summarized the staff recommendation, saying that elimination or reduction of the first three capital items would generate close to \$3 million, so that \$1 million per year could be allocated to RideSource. Mr. Pangborn stressed that it should be seen as a temporary source of funding, because once LTD began to use it, there would be no regaining it unless another source of revenue could be found. In the future, the District would need that money for capital projects. He said that staff would make a concerted effort to find additional funding for RideSource; if successful, the federal dollars could be backed out. However, he said, if LTD was not successful in finding an additional funding source, these federal dollars would be spent on RideSource rather than capital projects.

Mr. Evans said that the American Public Transportation Association (APTA) was trying to find a way to incorporate some type of funding for paratransit in the next federal authorization bill.

Mr. Kortge repeated Mr. Wong's point about outsourcing. He said he would look at outsourcing payroll, but he did not think that outsourcing Human Resources at LTD made sense. He wondered about graphics or some marketing aspects.

Mr. Wong thought that it was a "slippery slope" to start using capital money on the operating side. Mr. Kortge thought that if LTD was never going to spend the money on a capital project, then it would be okay, but if it was something that LTD had to have, he did not want to give up that money. Mr. Viggiano stressed that LTD would have to keep eliminating more items to come up with another \$3 million in future years.

Mr. Pangborn stated that Mr. Wong had captured the angst among staff: if LTD did not do this, then another \$1 million per year would have to be added to service cuts, or revenue sources found to replace that money.

The Board took a break from 5:15 to 5:38 p.m.

In reflection, Mr. Gaydos said that in focusing on infrastructure, LTD had done an excellent job; facilities were designed and constructed well and they held up well. He thought this was an important aspect to mention. He said it also was important to balance efficiency, coverage, and productivity. He noted that former Board Member Dave Kleger would be saying that if LTD kept

having buses in traffic, they would just be suffering from congestion. Mr. Gaydos said that the Board members were the stewards of the infrastructure and system, and he wanted to make sure that continued. He explained that he was not necessarily saying that EmX was in the future, but that the Board should keep that future vision.

Mr. Gaydos noted that Mr. Wong had said that using the federal money for operations was a slippery slope and hard to recover; on the other hand, he said, it would buy LTD some time. His personal opinion, he said, was that LTD needed to focus on the future, but that might cost something in the present. He said that the Board had the opportunity to choose the future it wanted. He hoped LTD would not give up on the future or on providing the best service it could, and he knew that if the buses could not be out of the congestion, it would be worse in the future. He did not want to jump to conclusions that this process would solve the problem, but he also did not want to walk away from the challenge. He hoped the Board and Budget Committee could come together for a solution that would be a present fix but continue the future look.

**Revenue Options – Fare Increases (and other user fees)** – Mr. Pangborn called the Board's attention to page 16 of the packet. He stated that the two on page 16 were the most relevant: Fare Increases (and other user fees) and Planned Funding Requests. He said that at the June 18 Board meeting, the staff would be recommending additional fare increases. Mr. Vobora added that a public hearing and the first reading would be held in June, and a second hearing, the second reading, and adoption would be scheduled for the July 16 Board meeting. Changes would take effect in September 2008.

Mr. Pangborn stated that when LTD had to make service cuts in 2009, it would be traumatic for a lot of people, so staff would prefer not to make the fare changes at the same time as the service cuts. He noted that TriMet in Portland was raising fares for buses and light rail service, and that TriMet had zone fares because of its size and the distances traveled.

**Planned Funding Requests** – Mr. Viggiano said that the federal reauthorization legislation could be delayed depending on the new Administration, and chances were small that the federal government would step in with local operating assistance. He said that the best hope for additional funding would be at the state level.

Mr. Kortge asked if staff were optimistic about state funding and whether there was a champion for transit funding at the state level. LTD consultant Linda Lynch replied that staff were optimistic. The state was looking at the actual need and predicted future need for the next five to ten years. She said it was hard to guess what percentage of the people would be transit dependent or want to use public transportation more as the population aged. She added that quite a bit of work was being done on this issue around the state, and the case was being made to the governor for a transportation package for the next legislative session.

Ms. Lynch explained that the Oregon Department of Human Resources budget required that a committee meet and come up with a dollar number. She expected that this number would be pretty accurate, likely between \$15 million and \$20 million per year, so there probably would need to be some kind of political assessment.

Mr. Necker mentioned the fee for Oregon ID cards going to special transportation. He said that fewer IDs were being issued, so whether that money would come from the general fund or some other fund would "paint the picture" for the future.

**Long-Range Financial Plan (LRFP)** – Director of Finance and Information Technology Diane Hellekson said that there still were a lot of unknowns about the coming years, and LTD could not guess on every variable. She said that the LRFP assumed there were no major surprises when building the Pioneer Parkway EmX extension; there were no major contingencies in the proposal. She pointed out that service cuts would be required in the LRFP, as shown on page 27 of the packet. She stated that added service to the new hospital at RiverBend had been in the budget as long as the RiverBend project had been planned.

Ms. Hellekson discussed growth rate projections for year one (2009-10). The worst case showed a 2.8 percent rate, assuming no overall growth in payroll tax receipts and only an increase in the tax rate. This would result in a 14.2 percent reduction in service hours, with no capital contingency.

Mr. Evans asked, given the increases seen during the last six months in the price of oil, whether it was conceivable that estimating \$5 per gallon for gas was low. Ms. Hellekson replied that in the analyses she had been reading, the price was expected to level off for awhile and then increase by smaller increments. She added that using \$10 per gallon would mean a 30 percent service reduction, and would be hard to “sell” for something that had not yet happened.

Mr. Kortge said he thought \$5 per gallon was a realistic number.

Mr. Dubick asked if the 2009-10 LRFP was trying to speculate where the diesel fuel cost might be by that year. Ms. Hellekson said yes, as well as what the economy might be doing. She said that the payroll tax growth rate had been 3.5 percent in the previous year, and 8.1 percent in the current year. She thought that 2.8 percent was unlikely for 2009-10, that 7.8 percent might be a little optimistic, and that 5.8 percent was more realistic. That amounted to a 3 percent growth rate plus the scheduled rate increase.

Mr. Pangborn said that when assuming \$5 per gallon for fuel prices, the range for service cuts was between 7 percent and 14.2 percent. Mr. Dubick commented that gas currently was \$3.90, and LTD was trying to see 15 months down the road. Mr. Viggiano clarified that this scenario was built on fuel prices for 2008-09. Ms. Hellekson said that staff were proposing that service cuts be implemented in 2009-10, but all of the other cuts sooner.

Mr. Dubick and Mr. Kortge agreed that a 9.2 percent service cut was the best option. Mr. Kortge added that he wanted to have more Board discussion about capital funding recommendations. Mr. Pangborn noted that the LRFP option they were considering included the \$1 million in capital funding for operations. If the Board did not make that change, the cuts would be higher.

Mr. Dubick thought that LTD had to put the effects on service first, and that maybe 14.2 percent was the worst case. He wanted to know what 9.2 percent and 14.2 percent would look like in terms of the choices between service changes, not just percentage numbers.

Mr. Vobora reminded the Board that in 2002 and 2004, LTD cut 9 percent and 4 percent of service, respectively. He said that service could be cut all at one time or in steps, depending on whether the recession got more severe. He said that staff could develop a priority list within the current route structure or using different boundaries.

Mr. Dubick thought that a 14.2 percent cut would result in a paradigm change.

Mr. Kortge said that if LTD had to make a 15 percent cut, it would just have to do it. He thought the Board should look at that now instead of later. He did not think that this was terribly pessimistic, given the current situation.

Mr. Dubick disagreed, saying that he did not think LTD was looking at no growth in the economy or payroll tax, and that the 14.2 percent service cut scenario assumed that the economy would come to a screeching halt.

Mr. Evans said that if, as Mr. Wong had said, the local area lagged behind the rest of the country in the recession, the local area could get a whiplash effect. He agreed with Mr. Kortge in thinking that the Board should look at 14.2 percent in cuts, and possibly not making them all at one time. He wanted to look at a staggered approach to implementing cuts, if possible.

Mr. Kortge thought that LTD should let the ridership know what the Board was reviewing, and that the wild card was the cost of diesel.

Mr. Evans thought that LTD needed to educate the public, as through a citizen advisory committee. He said that LTD needed a grassroots effort so the public would demand federal government aid for transit operations and at a state level, as well, because the federal government wanted to push everything to the local level. He thought LTD needed to look at how the District interacted with its ridership, which was a strong constituency group of transit-dependent riders, veterans, the elderly, and others, who could speak on LTD's behalf.

Mr. Wong wondered if the Board would want to direct staff to come back to the Board with a 15 percent cut, in priority order. As LTD got closer to implementation, the Board would know more about fuel prices, etc., and could back off from the entire decrease if possible.

Mr. Dubick said that he wanted to see a human face on that figure before the Board got too far down the road with service cuts. He said that the Board needed to keep an open mind about how much it was willing to cut service before giving the go-ahead.

Speaking about the percentage of service cuts, Mr. Necker said that he would want to see which ones were acceptable and which were not.

Mr. Dubick suggested taking this to the City and County public sector partners as part of the District's appeal to them to come up with alternate funding sources.

Mr. Necker wondered about receiving payroll tax revenue from the City and the County. Ms. Hellekson said that in that case LTD also would have to pay the tax. Mr. Pangborn said that LTD would gain in this scenario, and that this was one of the strategies LTD could talk to its partners about. He said that it would affect special districts and other local cities. The District would need to sit down with them with the 15 percent service cuts and discuss the alternatives.

Mr. Eyster said it seemed that for months the District had been saying that it needed to make clear to the public what dilemmas the District was facing.

Mr. Evans stated that LTD needed a coalition that included partners in the environmental movement and people talking about sustainability, not just the City and County. He thought the Board needed to work across a broad scope of the community on a transit fee or SDC charge, as well as the payroll tax. He thought that was one of the least intrusive revenue generators LTD

could look at. He said it was long overdue because LTD was a public utility and needed to say so and be willing to work on that.

Returning to the service discussion, Mr. Vobora said that the Board could approach the cuts from a phased approach. However, if the reductions were made little by little, there would be no printing and advertising time, and the results of the previous cuts would not yet be known. He said that staff would prefer to make the cuts all at one time. He thought it would be more traumatic to do a little every four months.

Mr. Necker said that then people would have the opinion that LTD was always cutting back. Ms. Hellekson said that staff had talked with the federal auditors about this and heard that other properties were facing the same issues. The auditors were adamant that LTD needed a long lead time to communicate effectively with the public.

Mr. Wong asked if LTD had a minimum capital reserve and any outstanding bonds. Ms. Hellekson replied "no" to both. Mr. Wong thought it was important to have a policy on minimum working capital in the Capital Projects Fund.

Mr. Pangborn summarized that the general consensus from the Board seemed to be to develop cuts of 15 percent, in priority order.

Mr. Dubick was still concerned about the effect on people, such as what it meant to have routes completely gone or only one-hour service. He thought that these changes might result in a major change in the way LTD did business.

Mr. Kortge brought up charging for EmX service. Mr. Pangborn stated that this was coming.

Mr. Necker stated that the Board had not yet decided on 15 percent. He said it would be important to bring a list of service cuts and see what percentage they would result in. Mr. Vobora said that in the next six to seven weeks staff would be communicating the magnitude of the issue.

Mr. Kortge said that if the number was to be 15 percent, he would like to see what would happen if the Board added back in the capital contribution. Mr. Vobora said that this would be another 5 percent. Mr. Pangborn added that it cost about \$200,000 per percent of service.

Mr. Eyster asked if staff had an input plan. Mr. Vobora said that staff would take advantage of as many opportunities as they could. They wanted general feedback, but also had to show a plan in order to receive specific feedback.

Mr. Wong guessed that with 20 percent cuts, LTD probably would have to redesign the whole system.

Mr. Evans wondered if the numbers would be ready by the July Metropolitan Policy Committee meeting. Mr. Vobora said that staff currently were working very hard on Olympic Trials service and fall service issues. He noted that former LTD Transit Planning Manager Paul Zvonkovic had been hired to work on a redesign, which he said probably was a different service structure. Staff would look at the system in terms of the existing structure and then as a redesign. He added that this would take some time.

Mr. Dubick thought there would have to be a major change in coverage. Mr. Pangborn used the example of cutting Sunday service entirely, saying that this would put about \$1 million back in the budget. Mr. Evans spoke of his history as a transit-dependent child, and said that Sunday service was critical.

**ADJOURNMENT** – There was no further discussion, and the meeting was adjourned at 6:30 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING/WORK SESSION/PUBLIC HEARING

Wednesday, June 18, 2008

Pursuant to notice given to *The Register-Guard* for publication on June 12, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a public hearing and regular Board meeting on Wednesday, June 18, 2008, beginning at 4:30 p.m., in the McNutt Room, Eugene City Hall, 777 Pearl Street, Eugene, Oregon.

Present: Gerry Gaydos, President  
Ed Necker  
Michael Dubick  
Mike Eyster  
Greg Evans  
Dean Kortge  
Park Pangborn, General Manager  
Jo Sullivan, Clerk of the Board  
Lynn Taylor, Minutes Recorder

Absent: Debbie Davis

**PUBLIC HEARING ON PROPOSED CHANGES TO DISTRICT FARE STRUCTURE** – Director of Service Planning, Accessibility, and Marketing Andy Vobora provided an overview of the fare changes proposed in response to escalating fuel prices. He said there would be additional opportunities for public input prior to action by the Board in July 2008. He said with one exception, any changes approved by the Board would become effective in September 2008; elimination of the Holiday Taxi Reimbursement program would become effective November 27, 2008. He explained the following fare changes:

- Increase the adult monthly pass price from \$38.00 to \$45.00
- Increase youth and senior monthly pass price from \$19.00 to \$22.50
- Eliminate the sale of tokens
- Eliminate the sale of 3-month passes
- Eliminate the Holiday Taxi Reimbursement program
- Increase the Breeze fare to regular fare prices

Mr. Vobora concluded his presentation and invited comments from the public.

**Ruth Shapiro**, Olive Street, Eugene, stated that Eugene has always had a reputation for being a progressive, environmentally-conscious, and people-conscious city. She said the economy was in dire straits with rising fuel, food, and other costs. She did not think that fares should also increase. She suggested lowering fares and increasing bus routes to encourage more people to ride the bus, and the increased revenue could make up for the higher cost of fuel.

**Jamy Epple**, Kincaid Street, Eugene, said that increasing the fares would impose a hardship in people with disabilities who had to use the bus for transportation to work.

**Harvey Peder**, Roosevelt Boulevard, Eugene, asked about the status of Sunday service.

Mr. Vobora said the evaluation of service had just begun and no decision had yet been made. He said no service changes would occur until September 2009 and Sunday service would be evaluated along with all other services. He said there would be many opportunities for people to offer comments and suggestions.

**Michael Fisher**, Bailey Lane, Eugene, asked if it was likely that routes would be eliminated in the future. He said fares were being raised, routes would be eliminated, and at the same time EmX buses were running between Eugene and Springfield with no fare being charged. He asked if the new EmX routes, such as the one to PeaceHealth, would also be free.

Mr. Vobora said that because of budget problems, there would be cuts in the fall of 2009, although the specific cuts had not been identified. He said the plan for EmX was to install fare machines when the route was extended to the Gateway area. He noted that 91 percent of EmX riders had paid a fare; only 9 percent were actually riding for free. He expected fares to be in place in 12 to 18 months.

Mr. Fisher felt that most of those riding EmX were already bus riders and the free fare was not necessary to promote interest.

**Kerri Fowler**, Betty Niven Drive, Eugene, asked if buses would be stopped on Sunday.

Mr. Vobora said there had been no decision on that.

**Devin Ackley**, Betty Niven Drive, Eugene, said it was easier for him to purchase a 3-month bus pass and did not want that eliminated.

**Rodney Carver**, Second Avenue, Eugene, said that many people would be hurt if Sunday service was eliminated and fares increased. He did not understand why an increase in the price of fuel meant that fares had to be increased. He said that the schedule and fares should remain the same, otherwise many people would be unhappy.

Mr. Necker said there were two sides of the issue: the fiscal side and the human side. He said the District did what it could for people, but could not change or ignore economic conditions. He said the proposed changes were across the Board and not targeted to a particular group of riders. He pointed out that no service changes had been proposed at this point.

**Loundes Mante**, Eugene, commented that bus fares should be lowered instead of increased because riders were experiencing increases in all of their living expenses.

**Misha Seymour**, Lincoln Street, Eugene, objected to holding a meeting at 4:30 p.m. and not televising it. He said that employers like Sacred Heart were being subsidized so they could provide inexpensive fares to employees; fares should be raised for people who worked instead of the poor. He said buses were out of control, running late, and completely filled. The free fare for workers should be eliminated and the District should be more sensitive to the people.

**George Lastrapes**, Highway 99N, Eugene, said it appeared that all fares were increasing by 20 percent, except for riders from 62 to 64 years of age; their fare was increasing by 250 percent.



**Denise Gosar**, River Road, Eugene, stated that she was self-employed and that the last three service changes had reduced her ability to pursue her work by eliminating midday routes in town and reducing early morning and late night service, yet she still pays self-employment taxes to the District. She said she consistently uses bus tokens as does her husband, who was also self-employed. She said that eliminating tokens and raising roundtrip fares to \$3.00 meant she would be working from her home and walking much more and riding the bus much less. She believes in riding the bus and feels she is being punished for being in support of public transit. She also hands out tokens to people who ask for spare change.

**Dennis Durfee**, Dalton Drive, Eugene, agreed with the previous speaker regarding tokens. He was willing to pay full fare for the convenience of having tokens. He also gave tokens to people who asked for spare change to ride the bus and urged the Board to reconsider eliminating them as a fare instrument.

**Sandi Mann**, Springfield, agreed with Ms. Shapiro that increasing bus routes and adding weekend services would encourage more people to ride the bus and help the District make the profit it needed. She hoped that the comments from those who were testifying would be taken into consideration by the Board. She recommended salary cuts for management. She asked why the hearing was being held at 4:30 p.m. instead of 6:30 p.m. so that more people who worked could attend. She agreed with previous speakers about the need to retain tokens and did not want the Breeze raised to full fare. She was a supporter of public transportation, but if rates increased, she might need to find alternatives.

Mr. Vobora explained that the meeting had been scheduled at 4:30 p.m. because of comments from the public at previous meetings criticizing a later time because they were unable to catch the rural routes home. The time of 4:30 was selected because it would allow people to testify earlier and return home on the bus, but also extend into the evening for those who worked. He said that adding riders would not help the District's revenue problems because fares only cover about 15 percent of the cost of providing bus services. Self-employment and payroll taxes pay for 80 percent of the cost of running the bus system, which is not a profit-making agency.

**Clark Cox**, Patterson Street, Eugene, said he was using the Easy Access program and hoped the District would retain the 3-month pass. He recognized that transit Districts across the country were struggling with similar issues. He said token sales were helpful to nonprofits and would be retained. He suggested that the District discontinue the customer service representatives at the Eugene station to help retain funds for bus service. He noted that there were no customer service representatives at the Springfield station.

**Jo Durfee**, Dalton Drive, Eugene, said more people were riding the bus because of gas prices, but at some point more vehicles would be required to accommodate additional riders. She asked how the cost of new vehicles was factored in to the fare increases.

Mr. Necker said the fare increases would only maintain current service and not allow any increase in service levels. He said there were no funds available to purchase new buses and hire additional drivers, even though more people were riding the bus and fares were being increased.

Mr. Pangborn said the economic situation was not static and the price of fuel over the next three to eighteen months could not be predicted, making it difficult to balance LTD's budget. He said the only certainty was that fuel costs would continue to increase faster than any possible fare

increase and there was no other revenue source to absorb that cost. He said no one wanted to cut services, but LTD had to operate with a balanced budget.

**John Williamson**, Pioneer Parkway, Springfield, said that money could be saved if drivers quit "lead-footing" and leaving buses running at the station.

**Dan McGee**, High Street, Eugene, said he lived in a large housing complex with low income senior and disabled residents. He recognized that gas prices were going up, but the fare increases were a large jump for people on limited, fixed incomes. He hoped that fare increases could occur on a regular, incremental basis instead of the large increases that were painful for riders. He urged LTD to more widely publicize proposed changes, upcoming events, and opportunities for input. He supported the bus system and felt LTD provided good service.

A member of the audience asked about the rationale for eliminating tokens. He asked what the increase in ridership had been over the past 12 months. Mr. Vobora said that ridership had increased about 16 percent over the last 12 months. He said about 200,000 tokens were used annually, with over half of those purchased by government agencies and nonprofits.

Mr. Pangborn said tokens were a separate fare instrument that LTD had to count, package, and manage, which required staff time at a point when staff resources were being cut.

The audience member asked why volunteers were not used to count and package the tokens. Mr. Pangborn replied that because tokens represented a valuable resource, LTD was legally required to manage and audit use in a secure manner, which precluded using volunteers.

An audience member commented that the Board seemed to be solving problems in a vacuum and not working with other agencies in the community. He thought the siting of the hospital was inefficient in terms of transportation issue and questioned why the Board would not tell PeaceHealth it could not afford to provide bus service. He did not see LTD marketing its services to encourage people to use the bus instead of driving. He listed a number of concerns such as educating a bus driver on the location of Cuthbert Amphitheater; arranging special service for events like concerts; making sure that employers' and businesses' clocks were synchronized with the District's; keeping buses open during the driver's break; and publicizing opportunities for dialogue with the community.

An audience member said she worked at Sacred Heart for many years and was pleased when the employee pass program was instituted. She said it worked well for the office staff, but not the nursing staff because shift hours did not coincide with available bus service.

An audience member asked what percentage of revenue came from ads painted on buses and whether Board members rode the bus. He asked if LTD was prohibited from purchasing foreign-made vehicles. He said that bus systems in Mexico and Central America were superior because they did not have a monopoly.

Mr. Vobora said about 1 percent of revenue came from bus advertising. Two Board members road the bus regularly and others rode occasionally. He said LTD could not purchase vehicles from overseas.

Mr. Evans observed that public transit in other countries had benefited from significant government investments in infrastructure while the United States had invested in a highway system instead of transit.

Mr. Pangborn pointed out that LTD did not have a monopoly; any private provider could offer services. He said no private provider was interested because it would be unable to earn a profit.

Ms. Shapiro said she did not understand how the District could be losing money if ridership was increasing. Mr. Pangborn explained that the costs of fuel and paratransit services were increasing much faster than additional riders were generating in revenue. He said LTD was losing money with additional riders on the system and had begun to spend its reserves to avoid dramatically cutting services.

Mr. Seymour asked how much it was costing to provide subsidized service to employers and their employees. Mr. Pangborn pointed out that 80 percent of LTD's operational costs were paid by employer payroll taxes, with PeaceHealth being the largest contributor. He would provide the details of the employer group pass program to interested individuals following the hearing.

Mr. Gaydos thanked those who participated and closed the public hearing.

The Board took a short break.

**CALL TO ORDER/ROLL CALL** – Mr. Gaydos called the regular meeting to order and called the roll.

**WORK SESSION**

**Rewards & Recognition Committee Update** – This item was postponed to the next meeting.

**Call Center Update** – Accessible Services Manager Terry Parker explained that the RideSource Call Center had begun operations in mid-May 2008. She said the call center combined senior and disabled transportation from RideSource and from LCOG Senior and Disabled Services into an integrated program.

Accessible Services Transportation Coordinator Rand Stamm described the renovation of the RideSource facility to include the call center. He said the call center was in its fifth week of operation and reviewed some preliminary data comparing activities in June of 2007 and June of 2008:

	<u>2007</u>	<u>2008</u>
Trip reservation calls	885	2,194
Trips arranged	2,189	4,434

Mr. Stamm said a significant percentage of the increase could be attributed to Medicaid medical trips, which is the largest new component of the call center. He said that RideSource Call Center now contracted with about 12 different commercial providers, including taxi and medical transportation companies. Special Mobility Services, Inc. is the contracted provider for the call center. He said that the increase in Medicaid medical trips could be attributed to payment of actual trip costs and the inability of taxi companies to obtain insurance coverage. He said

RideSource was continuing to provide more medical trips than it typically did, but other operators were now able to provide that service.

Mr. Kortge arrived at 6:05 p.m.

Mr. Stamm said efforts to make the transition smooth for clientele had been successful and calls were being handled quickly and efficiently. He said the call center was also partnering with human services case managers at Senior and Disabled Services to identify transportation needs. He said relationships had been successfully established with clientele and providers to assure good communications and coordination of services. He said challenges included the insurance issues for taxi companies, miscommunication regarding June bus passes, differing verification requirements between providers and the call center, getting clients accustomed to the changes, and electronic billings to the State.

In response to a question from Mr. Evans, Mr. Stamm said that taxi companies had to have \$1 million in liability and \$1 million in general liability insurance in order for the call center to use them to provide services.

In conclusion, Mr. Stamm said future call center plans included adding other funding sources and programs, continuing with software advancements and comingling of trips between RideSource and other providers.

Mr. Gaydos said the call center's success story should be shared with businesses to demonstrate LTD's efforts to make the best use of payroll taxes.

In response to a question from Mr. Kortge, Ms. Parker said the federal requirements for RideSource imposed many requirements, such as drug and alcohol testing and insurance, that taxis and other providers did not have to otherwise meet, making RideSource a more expensive service. She said developing a network of qualified providers allowed the call center flexibility in choosing the provider for a client and RideSource could be reserved for those who required ADA (Americans with Disabilities Act) paratransit services.

A member of the audience voiced dissatisfaction about the location of the RideSource facility, which he thought was too far away from bus service. Ms. Parker pointed out that the facility served people who, by the nature of their disabilities, were unable to use the bus and dispatched rides to those clients. She said the location of the facility was also based on the need for a large parking area to accommodate the transit vehicles. Mr. Pangborn added that the number of employees at the facility was fairly small and it was only one block from a major bus route. He said the nature of the facility required an industrial site.

## **ITEMS FOR INFORMATION**

**APTA Authorization Committee Meeting** – Mr. Evans reported that the American Public Transportation Association (APTA) had adopted a vision statement and goals and was moving rapidly toward developing a final version to present at the annual convention in October. He said issues related to 5307 formula funds and 5309 discretionary funds also were being addressed.

**Monthly Financial Report** – Director of Finance and Information Technology Diane Hellekson summarized the monthly financial report. She stated that at 11 months through the current fiscal

year, the explosive price of fuel and the cost of accessible services remained concerns. She said that the District was slightly below budget for fuel, and she did not expect any major changes for the balance of the fiscal year. A full report on the fiscal year ending June 30, 2008, would be provided to the Board in September.

**EMPLOYEES OF THE MONTH – July 2008** – Ms. Hellekson introduced Administrative Secretary Chris Thrasher and Administrative Services Manager Jo Sullivan introduced Administrative Secretary Jeanne Schapper.

Ms. Sullivan said that Ms. Thrasher and Ms. Schapper were jointly selected as employees of the month because of their collaboration in covering duties in another department when an employee was on leave, which demonstrated the high level of teamwork among LTD's administrative support staff.

Ms. Thrasher and Ms. Schapper thanked the Board for their awards and expressed their appreciation for LTD as an employer.

Mr. Pangborn announced that Ms. Sullivan was retiring after 27 years with the District and Ms. Schapper would be assuming her duties.

#### **AUDIENCE PARTICIPATION**

**Gail Lundeen**, Junction City, representing Viking Sal Senior Center, spoke to the Coordinated Plan. She stated that there was no bus service in Junction City for "everyday people;" it was job access bus service. She said the only transportation service available to seniors and disabled people was through the Escort service, which was very limited and did not meet existing needs. She was interested in ways to transport people in rural communities who needed to go to grocery stores, libraries, and on other errands.

**Betsy Payne**, Jefferson Street, Eugene, spoke regarding potential routes for EmX through west Eugene. She had lived on Jefferson Street for 27 years and strongly objected to a bus route running down their street, which she said would adversely affect parking, trees, and the residential character of the neighborhood. She said that it was already difficult to find parking in the area and the traffic flow would present hazards to pedestrians. She suggested 6<sup>th</sup> / 7<sup>th</sup> avenues as an alternative route, which would also position LTD to serve future growth in Junction City.

**Arthur McCombs**, East 12<sup>th</sup> Avenue, Eugene, expressed concern with the elimination of token sales. He said tokens were a benefit to the homeless poor and it would be a hardship on them if the tokens were no longer available through human services agencies. He asked if people would be able to continue using their present supply of tokens after July 1. He suggested that the cost of tokens could be raised slightly to offset any budget impact.

Mr. Vobora stated that the proposal was to stop selling tokens to the general public - not to agencies. He said the volume of sales to the general public was very small. There would be a lengthy grace period during which people could continue to use their inventory of tokens. Mr. Vobora also stated that tokens would continue to be offered to human services agencies.

**Josef Siekiel-Zdzienicki**, Eugene, asked if transit Districts had confronted Congress on the unfunded mandates for accessibility under ADA.

Mr. Evans said APTA was addressing that issue and he was very involved in that effort. He noted that ADA requirements did not include any funding for implementation, the cost of which was born entirely by transit Districts at the local level. He recommended rallying support among paratransit riders and others in the community to express their concern to Congress.

### ITEMS FOR ACTION

**MOTION** **Consent Calendar** – Mr. Dubick moved adoption of LTD Resolution 2008-21: It is hereby resolved that the Consent Calendar for June 18, 2008, is approved as presented. Mr. Eyster provided the second. The Consent Calendar consisted of the minutes of the February 28, 2008, Special Board Meeting/Work Session; BY 2008-09 Disadvantaged Business Enterprise (DBE) Goal; and Appointment of LTD Board Member Ed Necker as Ex-Officio, Non-Voting Member of the Accessible Transportation Committee.

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

**First Reading, LTD Ordinance No. 35, An Ordinance Setting Fares for Use of District Services** – Mr. Vobora said that in addition to testimony to the Board, there had been calls and letters expressing similar concerns, particularly regarding the 3-month pass and tokens.

Mr. Necker asked if it would be administratively feasible to retain token sales to the general public, but at the new fare price. He was concerned with members of the disabled community who had difficulty handling money. Mr. Vobora said that there was some staff time involved, but that also there were issues related to control of the fare instrument that would have to be addressed if the Board chose to keep tokens available to the public.

Ms. Hellekson explained that the District had to maintain continuous control of fare instruments and there was nothing about a token that made it unique. The only way to control tokens was to place them in numbered packages and accounting for where the numbers went. She said tokens were very labor intensive because when they were returned, they had to be counted and repackaged and there were unresolved control issues related to their use and transfer. She said if those issues could be addressed, the District could continue to sell tokens to the public, but the concern was that they now presented potential audit issues.

Mr. Evans asked how other Districts handled tokens. Mr. Vobora said other Districts sold tokens in larger quantities instead of five at a time. He said there was some consideration of providing agencies with printed tickets instead of tokens. He felt more of an inclination to retain the 3-month pass. Mr. Pangborn commented that tokens were going out of favor as a fare instrument among Districts.

Mr. Dubick asked why the Breeze fare was initially lower than the fixed-route buses. Mr. Vobora said the Breeze was conceived as a downtown shuttle and then expanded to connect with the

University and shopping centers. He said the fare was targeted to occasional users and non-transit riders to encourage them to use the Breeze instead of driving to downtown and shopping centers during their lunch hours, but that market had not been penetrated very well. He said the fare was increased to 50 cents by prior Board action and the fare could stay at that level if a 25 cent fare was available to people with disabilities. He said the intent was to simplify fares so they were the same for any LTD service.

Mr. Evans asked if printed disposable tickets would be preferable to tokens for sale to the general public. Mr. Vobora said there would be some associated costs and risk of counterfeiting, but those costs could be addressed.

Mr. Vobora commented that the 3-month pass represented both a convenience and cost savings to reduced fare riders on limited incomes. He said that it could be maintained but priced differently, to maintain the structure at half fare plus the discount. He calculated that a 3-month pass at \$45.00 per month, with a 10 percent discount, would total \$121.50, with half of that for a reduced fare. He said that if the Board wished to make that change, the amounts could be rounded up to \$122.00 and \$61.00.

Mr. Necker asked if that would be a feasible solution. Mr. Pangborn said it could be done. Mr. Vobora stated that in the past a quarterly pass was sold and a rider would use that instrument for three months. He said the problem with that program occurred when a customer lost his or her pass early in that period; losing a one-month pass had less impact on the customer.

MOTION Mr. Evans moved that Sixteenth Amended Ordinance No. 35, with the addition of the amended prices for the 3-month adult and youth/senior half-fare price, be read by title only. Mr. Eyster provided the second.

Mr. Dubick asked if token sales would be restored.

Mr. Gaydos noted it was the first reading of the ordinance and tokens could be added prior to adoption if the Board wished.

Mr. Vobora reiterated that whether the instrument was a token or ticket, it would only account for approximately 1 percent of rides.

Mr. Evans encouraged the Board and staff to take into consideration low income customers who had a need for tokens or an instrument in lieu of tokens.

Mr. Eyster asked for information on the potential impact on disabled riders of a switch from tokens to printed tickets. Ms. Parker said that maintaining the token usage for agencies would address the needs of the largest group of users.

VOTE The motion was approved as follows:

AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Davis (1)

Mr. Evans read the ordinance by title only: "Sixteenth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services."

**Approval of Supplemental Budget for Fiscal Year 2007-08** – Chief Accountant Carol James reviewed the supplemental budget, which included three items:

- The addition of \$600,000 for fuel to the Materials and Services budget in the General Fund
- The transfer of \$750,000 to the Accessible Services Fund from the General Fund for additional RideSource costs
- The transfer of \$150,000 to the Commuter Solutions Fund from the General Fund as an interfund loan to be paid back when grant proceeds were received.

Mr. Gaydos opened the public hearing. He determined that there was no one else wishing to testify and closed the public hearing.

MOTION Mr. Evans moved approval of Resolution No. 2008-023, which amended the LTD Fiscal Year 2007-2008 budget as represented in the resolution. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

**Adoption of Fiscal Year 2008-09 Budget** – Ms. Hellekson stated that the Budget Committee had approved the budget on April 23, 2008, and in doing so the committee had unanimously recognized that there would need to be an adjustment to address the cost of fuel once there was better information on future fuel prices. She said that adjustment would be made in the fall.

Mr. Gaydos opened the public hearing.

A member of the audience commented that it appeared to him that the budget was being adopted too quickly with no discussion. He thought that the Board should be looking harder for a better solution from the community, such as more long-term investment in solar panels or buying fuel and storing it. He did not see LTD as being on the cutting edge of energy conservation.

Mr. Necker explained that while the only action at this meeting was official approval of the budget, it had been subjected to significant scrutiny by the Budget Committee over several meetings.

Mr. Eyster commented that staff were constantly looking at alternatives like those mentioned and it would be a mistake to think that the District did not consider many approaches to solving the problem. He noted that the Board was required to adopt a budget prior to the beginning of the fiscal year.

Mr. Gaydos noted that LTD had received national recognition for its energy conservation efforts.

**Arthur McCombs**, East 12<sup>th</sup> Avenue, Eugene, said that he was pleased that the three-month pass had been restored and token sales would continue to human services agencies. He urged LTD to continue token sales to the general public.

Mr. Gaydos determined there was no one else wishing to testify and closed the public hearing.



MOTION Mr. Evans moved approval of Resolution No. 2008-024, adopting the LTD Fiscal year 2008-2009 budget and appropriating \$116,516,400 as represented in the resolution. Mr. Eyster provided the second.

VOTE The resolution was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

**Lane Coordinated Public Transit—Human Services Transportation Plan – 2009 Update –**

Ms. Parker noted that the update, which had been discussed previously by the Board, was the second iteration of the plan that addressed services for seniors, people with disabilities, and people with low income. She said the initial plan was developed before federal guidelines were published, and the update now met those guidelines and established eligibility for Federal Transit Administration funding.

Mr. Dubick commended the plan and the extent of coordination among agencies.

Mr. Gaydos opened the public hearing.

A member of the audience commented as a user of paratransit services that he felt the system that was in place was excellent and praised the plan.

Mr. Gaydos determined there was no one else wishing to testify and closed the public hearing.

MOTION Mr. Eyster moved LTD Resolution No. 2008-025: Be it resolved that the LTD Board of Directors hereby adopts the Lane Coordinated Public Transit—Human Services Transportation Plan – 2009 Update. Mr. Evans provided the second.

VOTE The resolution was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

**Job Access Reverse Commute (JARC) Program Grants** – Ms. Parker said JARC funding had not been available to the District before because it had been earmarked for specific areas since its inception in 1998. She said the funds were now distributed by formula to the Eugene/Springfield area, with LTD as the direct recipient of the funds. The formula was based on the population of people who were eligible for Medicaid or met federal poverty standards.

Ms. Parker explained that LTD was responsible for conducting a competitive solicitation for projects. She referred to the June 18, 2008, memorandum from the Accessible Transportation Committee recommending acceptance of the JARC funds, allocation of the full three-year amount of \$407,000, and collaboration with applicant agencies to incorporate JARC into a program that could be administered through the RideSource Call Center in order to ensure consistent recordkeeping and compliance with match fund requirements.

Ms. Parker noted that a significant issue with JARC was providing the required 50 percent local match. She said that could be accomplished through partnering with human services agencies, such as the Department of Human Services Self-Sufficiency Program. Those discussions were in progress.

Mr. Evans asked how many partners could be involved in the program. Ms. Parker said a number of agencies had stepped forward. The call center would conduct eligibility determinations and would allow access to everyone who met the eligibility criteria instead of limiting it to agencies that used the program.

Mr. Evans asked if JARC funds would be available to assist ex-offenders who had no resources and were indigent. Ms. Parker said that anyone who met the eligibility criteria could be assisted, but JARC funds could not be used to purchase bus passes, although it might be possible to create a voucher program for obtaining bus passes.

Mr. Gaydos opened the public hearing. He determined there was no one wishing to testify and closed the public hearing.

In response to a question from Mr. Dubick, Ms. Parker said the three applications as described in the memorandum were:

- Pearl Buck Center, Inc. – Transportation Support Program
- LTD Commuter Solutions – Employee Assistance Program
- LTD Accessible Services – Transportation Case Management and Self Sufficiency Operations

MOTION Mr. Eyster moved approval of LTD Resolution 2008-026: It is hereby resolved that the LTD Board of Directors approves the proposed Job Access Reverse Commute grant applications as presented on June 18, 2008, and authorizes the general manager to submit these applications to the Federal Transit Administration for approval. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

**Second Reading and Adoption, LTD Ordinance No. 24 (2008 Revision), Describing the Territorial Boundaries of Lane Transit District** – Mr. Vobora reminded the Board that the boundaries were being adjusted in response to changes to routes 93 and 95, which removed some territory from the District.

In response to a question from Mr. Eyster, Mr. Vobora said that even with the changes, basic service was still being provided to Junction City. He said the comments from Ms. Lundeen during audience participation referred to specific needs of the senior center.

MOTION Mr. Eyster moved that Lane Transit District Ordinance 24 (2008 Revision), an ordinance describing the territorial boundaries of the District, be read by title only. Mr. Dubick provided the second.

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

Mr. Eyster read the ordinance by title only: "Lane Transit District Ordinance 24 (2008 Revision), Describing the Territorial Boundaries of Lane Transit District."

MOTION Mr. Eyster moved LTD Resolution No. 2008-027: It is hereby resolved that the LTD Board of Directors adopts Lane Transit District Ordinance 24 (2008 Revision), Describing the Territorial Boundaries of Lane Transit District. Mr. Dubick provided the second.

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

**Election of Board Officers** – Mr. Evans requested the Board's support of his candidacy for secretary of the APTA Transit Board Members Committee.

MOTION Mr. Eyster moved that the LTD Board endorse Greg Evans' candidacy for the office of secretary of the APTA Transit Board Members Committee. Mr. Kortge provided the second.

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

MOTION Mr. Dubick nominated Mike Eyster as the LTD Board President for a two-year term beginning July 1, 2008.

VOTE The nomination was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

MOTION Mr. Eyster nominated Greg Evans as the LTD Board Vice President for a two-year term beginning July 1, 2008.

VOTE The nomination was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

VOTE Dean Kortge was approved as LTD Board secretary for a two-year term beginning July 1, 2008, by acclamation as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

MOTION Mr. Evans nominated Ed Necker as the LTD Board treasurer for a two-year term beginning July 1, 2008.

VOTE The nomination was approved as follows:  
AYES: Dubick, Evans, Eyster, Gaydos, Kortge, Necker (6)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Davis (1)

Mr. Pangborn thanked Mr. Gaydos for his service as Board president.

**ADJOURNMENT** – The meeting adjourned at 8 p.m.

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Board Secretary

## MINUTES OF DIRECTORS MEETING

### LANE TRANSIT DISTRICT

#### PUBLIC HEARING/REGULAR BOARD MEETING/WORK SESSION

Wednesday, July 16, 2008

Pursuant to notice given to *The Register-Guard* for publication on July 10, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a public hearing and regular Board meeting on Wednesday, July 16, 2008, beginning at 5:30 p.m., in the LTD Board Room, 3500 East 17<sup>th</sup> Avenue, Eugene, Oregon.

Present: Mike Eyster, President  
Debbie Davis  
Ed Necker  
Michael Dubick  
Gerry Gaydos  
Greg Evans  
Dean Kortge  
Mark Pangborn, General Manager  
Jeanne Schapper, Clerk of the Board

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the regular meeting to order at 5:30 pm and then he called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Eyster acknowledged and thanked Gerry Gaydos for his years of service as Board president. He said that Mr. Gaydos' leadership built the foundation for the District's future.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were no announcements or additions.

**BOARD CALENDARS** – Mr. Pangborn noted that three Board members would be attending the American Public Transportation Association (APTA) conference in Seattle and Mr. Evans was involved in efforts to host the 2010 APTA conference in Eugene. Mr. Pangborn reminded Board members that the Lane County Fair would occur August 12-17.

#### **WORK SESSION**

**Service Planning Outreach Plan** – Director of Service Planning, Accessibility, and Marketing Andy Vobora said that LTD would be conducting outreach activities to inform the public and solicit input on potential service cuts at various events throughout the community. He requested Board members' participation and asked the Board to let staff know about their availability. He said that town hall meetings would be scheduled in subdistricts as well.

**Revenue Options** – Assistant General Manager Stefano Viggiano introduced consultants Linda Lynch and Chris Shultz, and Budget Committee Member Warren Wong, who would participate in the discussion of options for increasing District revenues.

Mr. Viggiano said several options would be presented to the Board, and that staff were looking for direction on which option should be researched further. He said most of the options would not affect the planned 2009 service reductions because revenue would be generated after that decision was made; however, a property tax could help to avoid service cuts. That would be discussed in greater depth at the end of the meeting. He briefly reviewed the following revenue options, which were described in detail in the agenda packet, and asked for feedback from the Board:

1. Increase fares
2. Additional State funding for elderly and disabled transportation
3. Federal funding for elderly and disabled transportation
4. Carbon cap and trade funds
5. Local income tax
6. Property tax
7. Increase payroll tax immediately to statutory maximum
8. Increase in the maximum payroll tax rate
9. Expand the payroll tax to local governments
10. Vehicle registration fees
11. Parking space fee
12. Congestion fee
13. Systems development charge (SDC) for transit
14. Mass transit utility fee
15. General Obligation bonds

Mr. Pangborn noted that if a local income tax was imposed, businesses now paying a payroll tax would be able to deduct their payroll tax; the income tax would be the difference, not additive to the payroll tax. Mr. Viggiano said the income tax would generate revenue primarily from individuals, not businesses.

Mr. Necker emphasized the need for an aggressive public education campaign to explain the need for additional revenue to avoid service cuts in the face of increasing fuel prices.

Mr. Evans asked if the District could collaborate with TriMet on options 7 and 8, which required legislative action. Mr. Pangborn said collaboration would be essential as a proposal to increase the payroll tax and was not viable without TriMet's support.

Mr. Dubick observed that expanding the payroll tax to local governments was an equity issue as State agencies and the University of Oregon already paid the tax, and transit was a service that local governments should support.

Mr. Evans commented that there was no mechanism for Option 12, but that could be a part of Option 11. He said that other cities were considering some form of congestion fee to generate revenue for transit.

Mr. Dubick expressed interest in investigating Option 10 because of the direct connection between automobile use and transit. He felt the concept could be successfully presented to the legislature, particularly since TriMet already had the authority for such a fee. Mr. Pangborn said the difficulty with a vehicle registration fee was the constitutional restriction of revenue use to roads and highways, which meant the District would probably have to use those funds for capital

purposes such as EmX right-of-way. He said it could be used as local match for federal funds but would provide little help from an operational perspective.

Mr. Evans asked if SDCs would be easier to implement. Mr. Pangborn said those funds would likewise be restricted to capital purposes and would likely be a very controversial option to use. He said that a slowdown in development would also impact SDC revenue.

In response to a question from Mr. Necker, Ms. Lynch explained that a statutory amendment to allow a vehicle registration fee would likely have to include Salem Keizer Mass Transportation District, and it was unclear how much legislative support there was for assisting that District because of its lack of legislative activity. She said including Salem Keizer would complicate the initiative in several ways.

Mr. Viggiano directed the Board's attention to a handout titled *Overview of Possible LTD Property Tax Referral for November 2008*. He said there were a number of factors to consider and several unanswered questions and if this was an option the Board favored, staff would conduct further research and analysis. He said information could be presented to the Board in early August, with possible action scheduled for the August 20 meeting in order to meet the deadline for getting a measure on the November ballot. He reviewed the information in the handout and noted that he had just learned that the existing LTD boundary could not be used as it was GIS-based. He was not certain whether that would present a fatal flaw in terms of presenting the measure to the County by August 21.

Mr. Kortge remarked that the District's election cost share could be as much as \$20,000.

Mr. Necker said a major problem was the lack of perceivable connection between a property tax and transit.

Mr. Viggiano stated that a double majority would not be required in the November 2008 election. He said the District had an option for the tax to become part of the permanent tax rate as it had never levied a property tax before; the alternative was a local option tax with up to a five-year limit. He said there was a potential Measure 5 impact. He said a rate of \$0.30 per \$1,000 of assessed value would generate approximately \$5 million per year. He said there was a measure on the November ballot to eliminate the double majority, but if it did not pass, the next election to occur without a double majority requirement would be in 2010.

Ms. Lynch said there were several considerations for timing of an election, including projected turnout and when the revenue would be needed. She agreed that it would be important to explain the nexus between property tax and transit. She felt the business community might support a measure in order to share the burden of supporting the District and that representatives of elderly and disabled populations could advocate for the tax. The concern is the lack of an established campaign organization. She said that successful passage of a measure would depend heavily on Board involvement, and funds would have to be raised to support the campaign.

Mr. Necker asked if there were restrictions on the use of property tax revenue. Mr. Viggiano said there were no restrictions, but the District should specify for the voters the intended uses.

Mr. Shulz said a rate of \$0.30 would result in an increase of \$44 for the average Eugene house and \$33 for the average Springfield house. He felt the environment was right to go to the ballot, but noted that other jurisdictions were ahead in their campaigns. He said LTD would need the

cooperation of other jurisdictions with future funding requests. He noted that LTD staff were restricted to providing impartial, factual information to voters, but Board members could advocate for a measure and encourage voters to support it. He pointed out that if LTD went to the legislature with a funding request, it would be asked if it had done everything in its power locally to increase revenues.

Mr. Wong said that, historically in Oregon, local governments had depended on property taxes and, therefore, voters understood that funding mechanism - although the District would in a sense be competing with cities and the County for potential revenue. He said the last statistics he had seen indicated there were few properties at compression. He felt it would be difficult to introduce a new funding mechanism at this late date; a property tax was familiar to voters. He agreed with Mr. Shulz that it was a good time to place a measure on the ballot.

Mr. Evans expressed concern with the compressed timeframe, competition with other revenue measures and the costs of a campaign and election. He said losing badly in November would place LTD in a difficult position with respect to future requests. He stressed the need for raising funds to support an effective campaign. Ms. Lynch observed that Mr. Evans' concerns were true for any election. She said the Board would not be making a decision until August 20 and recommended that members talk to people they felt had a good sense of the community to gain an understanding of the public's attitude.

Mr. Eyster indicated that it was the job of the Board to make an assessment of the political environment and decide whether to move forward with a measure for the November 2008 ballot. He said there would be an opportunity at the end of the meeting for further discussion.

**EMPLOYEE OF THE MONTH – August 2008** – Director of Transit Operations Mark Johnson introduced bus operator Dirk Beaulieu, August 2008 Employee of the Month. He noted that Mr. Beaulieu had served as LTD's United Way Loaned Executive in 2006 and done an outstanding job. He was nominated by a fellow employee who appreciated his hard work as chair of the Health for Life Committee.

Mr. Beaulieu expressed his appreciation for the award and for LTD's supportive work environment that fostered success for all employees and offered opportunities to learn and grow.

**MOBILITY INTERNATIONAL AWARD** – Melissa Mitchell, on behalf of Mobility International USA, presented LTD with an award recognizing the District's promotion of accessible transportation.

**ARCHITECTURAL AWARD** – Mr. Pangborn announced that LTD had received a third place People's Choice award during the last Eugene Celebration for the design of EmX facilities.

#### **AUDIENCE PARTICIPATION**

**Josef Siekiel-Zdzienicki**, Eugene, commended LTD for the recent West Eugene EmX workshops he had attended. He said the workshops afforded neighborhoods with the opportunity to provide input during the planning process. He said the only concerns were that notifications were, in some cases, received after the date of the workshops, or not at all, and there was no City staff present. Director of Planning and Development Tom Schwetz pointed out that Rob Inerfeld with the City of Eugene was present at the workshops.



**ITEMS FOR ACTION**

MOTION **Consent Calendar** – Mr. Kortge moved adoption of LTD Resolution 2008-28: It is hereby resolved that the Consent Calendar for July 16, 2008, is approved as presented. Ms. Davis provided the second. The Consent Calendar consisted of the minutes of the November 12, 2007, Special Board Meeting/Public Hearing on Service; minutes of the November 21, 2007, Canceled Board Meeting; minutes of the April 16, 2008, Canceled Board Meeting; minutes of the April 23, 2008, Special Board Meeting; minutes of the June 9, 2008, Special Board Meeting and appointment of Warren Wong to LTD's Budget Committee.

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

**Public Hearing and Second Reading and Adoption, Sixteenth Amended LTD Ordinance No. 35, An Ordinance Setting Fares for Use of District Services** – Mr. Vobora explained that it would be the first reading of a new amended ordinance. He said the amendment restored language related to tokens to assure that the public had an opportunity to comment on the change. He said there was adequate time for a first reading of the amended ordinance, a second reading, and an adoption of an emergency ordinance in order to meet the September implementation dates. He said the Board should proceed with a public hearing as that was advertised.

MOTION Mr. Gaydos moved that Sixteenth Amended Ordinance No. 35 be read by title only. Mr. Necker provided the second.

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

Mr. Gaydos read the ordinance by title only: Sixteenth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services.

Mr. Eyster opened the public hearing.

Mr. Vobora noted that the Board had been provided with a written summary of testimony collected to date via e-mail, telephone, and in writing.

Mr. Pangborn proposed a modified approach to public hearings to address the Board's concern that those testifying felt their issues had been addressed. He suggested having staff available to provide a response to a speaker when testimony warranted one.

Mr. Eyster determined there was no one wishing to speak and closed the public hearing. He agreed with Mr. Pangborn on the usefulness of having staff available to address misunderstandings or blatant misstatements.

**Use of Biofuels** – Director of Maintenance George Trauger provided an overview of the District’s test of biodiesel on 10 fleet buses. He said the test was done on blends ranging from 5 percent to 20 percent. He said there were several drawbacks related to the use of biofuels, including higher cost for biodiesel. Based on test results, he recommended discontinuing the use of biofuels at the present time and noted that use could be resumed at any time.

Mr. Kortge asked why the Board was being asked to vote on the matter. Mr. Pangborn replied that use of biofuel had political and policy considerations and was related to sustainability and “green” operations. He was willing to make the decision, but was reluctant to do so without giving the Board an opportunity to express an opinion.

Mr. Eyster determined that Board members appreciated the information and were willing for the general manager to make the decision without formal Board action.

**RECOGNITION OF CLERK OF THE BOARD JO SULLIVAN** – Board members expressed their appreciation to Ms. Sullivan for her service to LTD, and particularly to the Board, on the occasion of her retirement after 27 years of employment with the District.

#### **ITEMS FOR INFORMATION**

**LCOG Board of Directors** – Mr. Dubick reported that he had informed the Lane Council of Governments (LCOG) Board of LTD’s financial situation and invited suggestions from members for increasing revenue.

**Metropolitan Policy Committee** – Mr. Pangborn reported that the Metropolitan Policy Committee (MPC) had approved the grant amendment for continuation of the Commuter Solutions program. He said that Mr. Evans had proposed that LTD make a presentation to the MPC on the District’s financial challenges and options for addressing them at the MPC’s August meeting.

**Triennial Review Final Report** – Purchasing Manager Jeanette Bailor said the Federal Transit Administration’s (FTA) triennial review included 23 areas and LTD was found to be in compliance in 19 of them. She said areas that required corrective action included:

1. Facilities Maintenance – corrective action will be taken to show how completed preventive maintenance will be documented
2. Disadvantaged Business Enterprise (DBE) – corrective action was taken prior to issuance of FTA’s final report by changing monitoring procedures
3. School Bus Program – corrective action will be taken to show the three school tripper routes on the system map
4. Drug and Alcohol Program – corrective action will be taken to implement effective oversight programs for safety sensitive contractors and collection site contractor

Ms. Bailor said corrective action for Item 4 would be completed by July 23 and items 1 and 3 by September 23. She said that overall the report was very positive. A copy was provided in the agenda packet.

In response to a question from Mr. Necker, Ms. Bailor said that the report required LTD to periodically monitor the Drug and Alcohol Program at the collection site to ensure that random testing procedures were being followed.

At Mr. Eyster's request, Mr. Pangborn explained that the finding related to DBE arose when a contractor let its DBE certification lapse during the course of a contract without notifying the District. Corrective action would implement closer monitoring of contractor status. He commended staff for their efforts and the exemplary outcomes of the audit.

Mr. Vobora said the prohibition against Districts competing with school bus carriers was being more restrictively interpreted by FTA, and when new rules were issued, they could potentially affect LTD arrangements with the 4J School District in the fall of 2009.

**EmX Interior Advertising** – Mr. Vobora related that interior advertising opportunities on EmX vehicles were being considered as a revenue option. He said the advertising would not interfere with EmX branding or the clean look of vehicles, and staff were waiting for revenue estimates before pursuing the option further. He said the Board would be kept informed.

Mr. Dubick asked if the painting of buses to advertise the Olympic Trials was paid for or donated by LTD. Mr. Vobora said that Nike had paid a large premium for bus advertising for the Trials.

**Gateway EmX Extension Project Budget** – Mr. Viggiano reviewed details of the proposed budget included in the agenda packet. He said the proposed budget reflected a \$4.3 million increase over the 2006 version after a cost reduction exercise. He said the overall increase was a result of a change in scope and higher commodity costs. Cost reductions were achieved without impacting items that affect the operation of the system. He said there was a possibility that the FTA could make additional Small Starts funding available.

Mr. Eyster asked if the local match obligation would be increased if additional federal funds were provided. Mr. Viggiano said the match requirement would remain at 20 percent, which would impact the District's budget, but there were ways to offset some capital funds to make up the difference.

**West Eugene EmX Extension Project Update** – Mr. Schwetz referred the Board to the list of activities provided in the agenda packet. He would follow-up on Mr. Siekiel-Zdzienicki's concerns that notifications were not being mailed to all neighbors. He noted that other forms of notifications also were used.

**Monthly Financial Report** – Director of Finance & Information Technology Diane Hellekson said that the fiscal year books were being closed and a preliminary annual report would be provided to the Board on or before July 31 by mail. She said there would be no significant changes from previous financial reports.

**Discussion of Revenue Options** – Mr. Viggiano said the Board could direct staff to discontinue pursuing a property tax option and research some of the other revenue options. He said that if the Board did want to consider a property tax, it would be appropriate for staff and Board members to spend the next two weeks investigating issues and talking to community members. He said the Board was not being asked to make a decision on the tax itself, but whether to continue to pursue that option.

Mr. Pangborn reviewed the results of a telephone poll of 400 randomly selected registered voters regarding a tax to support public transportation. He said 23 percent strongly opposed; 16 percent somewhat opposed; 27 percent strongly supported, and 26 percent somewhat supported. A poll conducted on the District's website indicated that 75 percent of respondents, who were likely composed primarily of transit users, were in support of the tax, with 17 percent in opposition.

Mr. Kortge said he wanted to see more information on the property tax option. He said that the biggest concern was who would lead a campaign.

Mr. Dubick said his concern was a crowded ballot in November, with many competing measures. He said that people tended to vote with their pocketbooks in times of economic slowdown, and he was not certain that November was the right time to put a revenue measure on the ballot. He said there were also questions related to the cost of the election and the cost of a campaign. He said the Board would need to feel strongly about placing a measure on the ballot in order to risk that money.

Mr. Kortge said staff could provide some of that information for the Board to consider in its decision.

Mr. Gaydos agreed with Mr. Shulz's earlier remarks that LTD would need to demonstrate efforts to help itself if it was going to ask for help from jurisdictions and State and federal governments. He felt the District's political position was the best it had been for some time and people understood the impact of rising fuel costs. He said that if the District waited two years, the economic situation could be worse and a ballot measure would face even more competition. He encouraged LTD to demonstrate continuing leadership through its efforts to broaden its financial base.

Mr. Eyster was amazed that 53 percent of those polled would support a tax even before a campaign. He did not think the District would find a better time to put a measure on the ballot. He recognized that the limited time available to organize a campaign was a challenge, but other factors were very positive.

Mr. Kortge stated that he would not support any revenue measure other than a property tax.

Mr. Evans stressed the need for a unified Board, a strong campaign, and the involvement of community leaders and partners.

Mr. Eyster determined that there was Board consensus for staff to continue to research a property tax revenue option and for Board members to discuss that with community members. He said a special meeting would be scheduled to discuss the issue prior to the Board's August 20 meeting.

Mr. Gaydos asked staff to provide Board members with talking points.

Mr. Evans disagreed with Mr. Kortge that all other options should be excluded. He recommended exploring options 7 and 8 in collaboration with TriMet.

Mr. Dubick asked that Option 9 be added to the list for further research. He wanted to have discussions with jurisdictions to determine if they were amenable to being included in the payroll tax.

Ms. Davis asked for ideas for a campaign chair and an estimate of campaign costs.

Mr. Viggiano clarified the Board's request for the following information prior to the next meeting:

- More accurate information on the costs of an election and a campaign
- Determination of whether the boundary issue was a fatal flaw
- Talking points for the Board to use during community discussions
- More information on the total assessed value in the District to more accurately estimate revenue, including properties affected by compression
- Suggestions for a campaign chair
- Ideas for how additional revenue would be used

Mr. Pangborn suggested a campaign co-chair from the business community or a community leader and asked for recommendations from Board members.

Ms. Lynch cautioned that initial poll results prior to any organized opposition tended to be high.

Mr. Evans asked for an analysis of potential organized opposition to a ballot measure.

Mr. Shultz noted that most respondents to the poll were unaware of how LTD was funded, but 53 percent were willing to support a revenue measure. He said that esteem for LTD was currently very high.

**ADJOURNMENT** – The meeting adjourned at 8 p.m.

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Board Secretary

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

Wednesday, July 30, 2008

Pursuant to notice given to *The Register-Guard* for publication on July 26, 2008, 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/work session on Wednesday, July 30, 2008, beginning at 5:30 p.m., in the LTD Board Room, 3500 East 17<sup>th</sup> Avenue, Eugene, Oregon.

Present: Mike Eyster, President  
Debbie Davis  
Ed Necker  
Michael Dubick  
Gerry Gaydos  
Mark Pangborn, General Manager  
Jeanne Schapper, Clerk of the Board

Absent: Greg Evans  
Dean Kortge

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the special meeting of the Lane Transit District (LTD) Board of Directors to order and called the roll.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were no announcements or additions.

**WORK SESSION** – Mr. Viggiano indicated that it was staff's hope that the Board would provide clear direction on the topic of a property tax measure, with the possibility that direction could lead to an action item in August.

Mr. Viggiano reviewed a handout distributed to the Board, which included information pertinent to the boundary for an election; the cost of such an election and an information campaign; data regarding a temporary versus permanent rate; information regarding the potential of compression in Lane County municipalities affected by the tax; and data on the amount of assessed value in Lane County indicating that the rate would be about 22 cents per \$1,000.

Responding to a question from Mr. Dubick, staff indicated that an information campaign could be paid for from existing funds.

Responding to a question from Mr. Necker regarding a property tax measure, Mr. Viggiano said that the District would have to go back to the voters to either increase or extend such a tax.

Staff provided information on the cost of a private campaign to support a measure, which is estimated to be between \$50,000 and \$80,000.

Mr. Eyster asked how difficult it would be to do a campaign without hiring a consultant. Consultant Linda Lynch suggested that some campaigning was necessary and it could be simple, such as radio messages. She believed that less than \$50,000 could be spent, but emphasized that some sort of campaign was needed.

Responding to a question from Mr. Dubick, Mr. Pangborn said that the campaign for the urban renewal district in Springfield was funded by private businesses who believed the issue was important for the entire community. Raising that amount of money took some effort.

Responding to a question from Mr. Necker about who would fund a campaign for an LTD property tax, Mr. Pangborn suggested that businesses might be interested in expanding the tax base.

Mr. Gaydos said that it would be a difficult time to raise money, given the other competing measures, as well as presidential, and mayoral races. He suggested that the District could attach itself with the City of Eugene's transportation measure.

Consultant Linda Lynch said she could attempt to identify the businesses and individuals interested in LTD's success.

Mr. Eyster solicited Board comments.

Mr. Dubick mentioned that he talked to many people in the Creswell and Cottage Grove areas and many residents felt that, given these difficult economic times, it would be challenging to ask people to pay more in property taxes. He thought that people appreciated the problem, but did not think a measure would pass. He believed that Chamber representatives, with whom he had spoken to, did not find the prospect of paying property tax on top of the payroll tax agreeable. He thought that they would be more supportive of an increase in the payroll tax than adding a property tax. He said that a particular section of the community was suffering significant economic declines and had not historically been supportive of property tax measures. He had heard that riders would vote for the measure, but those who did not ride the bus probably would not. They felt that a significant education campaign would be needed, and it was not realistic to attempt such a campaign in such a short time.

Mr. Gaydos said he had talked to two small-business people who had expressed their concerns about current overall economic conditions. People were still reacting to the announcement of Hynix's closure. People understood the need, but suggested that in such tough times, a property tax measure would not pass.

Ms. Davis said that she has heard much the same message from Chamber and business representatives who did not think that LTD had time to educate the public. If LTD lost the election, it would have a difficult time returning to the public with another tax measure in the future.

Mr. Eyster said that he had received similar feedback from some elected officials. He and Mr. Pangborn had an interesting conversation with someone who began the discussion pessimistically, but by the end of the conversation, seemed to think that the tax measure was achievable. They thought that if LTD did not attempt the tax measure, it may be perceived that LTD is unilaterally deciding to cut service without giving the public an opportunity to weigh in. Mr. Eyster stated that the remark gave him pause as the reductions would be drastic.

Mr. Necker said that those he spoke to were affected by the Hynix closure. They did not think the current economic environment was open to another tax measure. They thought the District would have more luck with the legislature in raising the payroll tax cap than it would with the voters. The people that he had spoken with had no comment regarding the education piece.

Mr. Eyster solicited remarks from staff.

Mr. Vobora said that he spoke to the Gateway Business Development Group and they had similar comments. The group did not feel there was enough time to submit a property tax measure to voters and that the process would be hurried. They also expressed concern about being hit twice with a property tax on top of a payroll tax and suggested that needed to be mitigated. He had received a few telephone calls after the article in the local newspaper about the possibility of such a measure, and those calls indicated to him that an information campaign about how things were paid for and how programs work would be useful. Mr. Vobora received a call from a senior citizen and former volunteer that was very supportive and willing to work on a campaign. He also spoke to Dan Egan, the Springfield Chamber of Commerce Executive Director, who asked why the District turned first to the private side rather than to the public for assistance. Mr. Egan had advocated for the local governments to get together and coordinate their requests and suggested that the local gas tax be considered as an option. He did not know if that was constitutionally permissible.

Mr. Necker noted a recent conversation he had with Representative Terry Beyer, who indicated that such changes had been tried in the past.

Mr. Pangborn noted that staff and Mr. Eyster recently met with four local legislators who did not have a position on the proposal. He had spoken with several people who were transit supporters who also were supportive of such a measure but did not think it would pass at this time.

Mr. Necker asked if charging the maximum payroll tax would cover the shortfall. Mr. Pangborn said that it would help, but it would not cover the extra shortfall. One-tenth of one percent generated about \$4 million annually, and the shortfall was probably in that area. The District would have to raise the rate to .008 to immediately generate that amount. Ms. Hellekson concurred. Mr. Necker suggested that increasing the payroll tax would be more palatable to the business community. Mr. Pangborn stated that he was unsure. He said that the message he and Mr. Eyster received at the Chamber was that businesses believed they already pay their fair share, and someone else needs to step forward. When the District last raised the rate, it had worked with the business community for a year to explain the need. After the 2003 legislature changed the law to raise the amount allowed to be collected, the District waited two years to implement an increase, with discussions occurring during the same period about the value of the increase.

Mr. Dubick asked about the potential of expanding the payroll tax to local government. Mr. Pangborn indicated that it was possible, although education would be exempt. Municipalities and special districts, including LTD, would pay. Staff had not calculated the impact of that possibility. Mr. Pangborn also added that it would require legislative action, which means that the money would not be available until 2010.

Mr. Eyster asked if LTD had data on which companies were not paying. Ms. Hellekson said staff had no precise idea but was devoting some resources to that issue. Mr. Pangborn estimated \$100,000 to \$200,000 in lost revenues, which would not replace the value of the lost payroll taxes from Hynix.

Speaking to the issue of changing the rate, Ms. Lynch suggested that LTD would not hear organized opposition for accelerating the rate to the full percentage. It would be more challenging to get to .008.



Mr. Eyster asked the Board what it would like to do.

Mr. Necker inquired about the impact of increasing the payroll tax and securing more money from the legislature for senior and disabled services. Ms. Hellekson said it depended on how much the legislature gave LTD. Mr. Pangborn pointed out that the impact would not be felt until 2010, and by then LTD would be in the middle of the service cuts. He said that LTD could receive \$3 million, although he doubted that would happen. He said it would be difficult to shift gears. LTD was almost forced into the situation of having to move ahead.

Mr. Necker said that at this time, he would not support placing a property tax measure on the ballot because of the need for support from a majority of voters.

Mr. Dubick noted the many funding sources for transit districts that exist throughout the country, including special dedicated sales taxes and property taxes. He thought the downside of a property tax was the tie to local government. Given the current economy and LTD's tie to the local economy, he did not think there was a way to overlook that tie. He thought that LTD needed to take a long-term look at funding, and that it would be hard and would require some work by staff to make some of the changes that might be necessary. LTD must maximize its efficiency and make reductions while still providing services, perhaps not with the same frequency but with the same coverage. He did not see LTD being able to succeed with a measure on a crowded ballot in a difficult economy. He called on the Board to work for the long-term, do the best with what it had, and wait for the tide to rise.

Mr. Necker suggested that the District could use its reserves to maintain services and rebuild those reserves when economic times improved.

Ms. Davis said she was convinced by her discussions with others that LTD did not have the time to conduct a successful election. People she spoke to understood the problem but thought a measure would get voted down. She acknowledged Mr. Eyster's comments, but said that voters did not understand and continued to ask the same questions in spite of the information they were given in articles in the local paper.

Mr. Necker suggested that LTD could offer the public such a measure when it had time to do the necessary education.

Mr. Gaydos believed that LTD could mount a reasonable campaign but would lose in the end. He asked if LTD wanted to spend \$100,000 to gauge support of the public. While he firmly believed in education, he pointed out that the message that LTD sent was frequently not heard, and the recipient must hear it, believe it, and pass it on.

Mr. Gaydos thought there was great community acceptance of LTD because the community liked the existing service, not because they wanted to invest in the future. He observed that he was continually surprised when people asserted at public hearings that LTD made a profit, for example. Mr. Gaydos said the decision was difficult because LTD is a wonderful institution and has provided amazing service. Nevertheless, he was unable to support a property tax measure at this time.

Mr. Eyster said that by any measure of efficiency, LTD was stellar in comparison to other districts. The District was frequently visited by other agencies so that they could take measure of its success. He said that the Board would be faced with some very hard choices in reducing services as it would either have to eliminate routes that were full or eliminate services where

people had no other option. He noted that demand had never been higher and the need had never been greater.

Mr. Necker said the Board needed to balance the fiscal and the human side, and that balance could not be achieved without negatively affecting someone. The Board would have to grit its teeth and try to come to a decision that would negatively affect as few people as possible.

Mr. Eyster believed that LTD's dilemma had been explained well in the media, and he thanked Matt Cooper of *The Register-Guard* for that. Mr. Eyster explained that he was not afraid to participate in a campaign, but he had no idea where to quickly secure \$50,000 to \$80,000 for a private campaign. He acknowledged the remarks of other Board members and interpreted the comments as direction to staff that a property tax measure was not an option the District could pursue at this time. If LTD was to offer such a measure, the education campaign should have begun a long time ago.

Mr. Pangborn said the District had not faced such a dilemma in recent times. He thought that at some level, people understood the problem and were supportive of the District; but he thought it would take a while for people to get used to the idea of paying for something that they had not paid for in the past. He said that the majority of those who would be paying for bus service did not use the service, and that could be a "hard sell."

Mr. Eyster reiterated that he was willing to participate in the "hard sell," but did not think there was time.

Mr. Gaydos noted some of the things that needed to occur for a successful campaign, including surveying and preparing a message. He said that even if LTD had started the process earlier, the news of Hynix's closure might have doomed such a measure.

Mr. Dubick thought that LTD had several options to consider, but many would require legislative action and that could not occur in a timely fashion. He recalled his time of service on the Lane Community College Board when it faced a similar situation and lacked the state and Federal support to maintain services. He thought LTD was in a similar position because the state and federal governments were leaving the Board in the position of making tough decisions about how to do the most it could with what it had.

Mr. Eyster believed that the necessary reduction would probably be about 17 percent with the closure of Hynix.

Mr. Pangborn indicated that staff would return with other options and the tradeoffs involved. He said that when the Board contemplated reductions, it would hear from the members of the public who would not care about the reasons the Board had decided against such a measure.

Mr. Necker thought that the Board's strategies were limited to increasing the payroll tax to the statutory maximum and seeking state funding for elderly and disabled transportation.

Mr. Viggiano recalled that the Board had discussed increasing the payroll tax to the maximum, seeking an increase in the cap, and expanding the payroll tax to government. There had been less interest in a system development charge or parking tax.

Mr. Pangborn mentioned that he had met earlier that day with Representative Terry Beyer, chair of the House Transportation Committee, who was very aware of the District's situation.

Mr. Eyster thanked staff for their efforts in preparing for the meeting and determining whether such a tax measure was feasible.

**ITEMS FOR ACTION**

MOTION **Consent Calendar** – Mr. Gaydos moved adoption of LTD Resolution 2008-031: It is hereby resolved that the Consent Calendar for July 30, 2008, is approved as presented. Ms. Davis provided the second.

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

**SECOND READING OF AMENDED ORDINANCE NO. 35** – Mr. Vobora clarified that the Board did not need to hold a public hearing.

MOTION Mr. Dubick, seconded by Mr. Gaydos, moved that the 16<sup>th</sup> Amended Ordinance Number 35 be read in its entirety.

VOTE The motion was approved as follows:  
AYES: Davis, Dubick, Eyster, Gaydos, Necker (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Evans, Kortge

Mr. Vobora read Ordinance 35 in its entirety.

Responding to a question from Mr. Eyster, Mr. Pangborn confirmed that the Board had already approved the implementation of the cash fare increase.

MOTION **Ordinance 35** – Mr. Gaydos moved adoption of LTD Resolution 2008-029: Be it resolved that the LTD Board of Directors hereby adopts LTD's 16<sup>th</sup> Amendment Ordinance No. 35 as amended in 2008, an ordinance setting fares for the use of District services. Mr. Dubick provided the second.

VOTE The motion was approved as follows:  
AYES: Davis, Dubick, Eyster, Gaydos, Necker (5)  
NAYS: None  
ABSTENTIONS: None  
EXCUSED: Evans, Kortge

Mr. Pangborn said that at this time, it did not appear that the Board needed to hold a regular August meeting.

Mr. Pangborn reminded the Board of the e-mail that was sent regarding the need to budget for art for the Springfield EmX system. In the absence of any objections, the District intended to move ahead.

**ADJOURNMENT** – The meeting adjourned at 6:45 p.m.

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Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, August 20, 2008

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, August 20, 2008, at 5:30 p.m., was canceled for lack of agenda items requiring action.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, September 17, 2008

Pursuant to notice given to *The Register-Guard* for publication on September 11, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a public hearing and regular board meeting on Friday, September 17, 2008, beginning at 5:30 p.m., in the LTD Board Room, 3500 East 17<sup>th</sup> Avenue, Eugene, Oregon.

Present: Greg Evans, Vice President, presiding  
Debbie Davis  
Ed Necker  
Michael Dubick  
Gerry Gaydos  
Dean Kortge  
Mark Pangborn, General Manager  
Jeanne Schapper, Clerk of the Board  
Will Mueller, Service Planning Manager  
Mary Adams, Director of Human Resources and Risk Management  
Zack Fish, Customer Service  
Diane Hellekson, Director of Finance and Information Technology  
Andy Vobora, Director of Service Planning, Accessibility, and Marketing

Absent: Mike Eyster, President

**CALL TO ORDER/ROLL CALL** – Mr. Evans called the regular board meeting of the Lane Transit District (LTD) Board of Directors to order and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Eyster was unable to attend the meeting. Mr. Evans had no remarks to share at this time.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Pangborn stated that the LTD Board needed to appoint a representative for the Metropolitan Policy Committee (MPC). He suggested including this in the action items. He also noted that he would include a Memorandum of Understanding (MOU) on diversity in the information items.

**BOARD CALENDARS** – Mr. Pangborn directed Board members to look at the calendar included in their packets. He then asked for Board feedback on the new Board Room seating arrangement. He pointed out the new Liquid Crystal Display (LCD) screen for presentations, which had been placed centrally on the east wall to optimize visibility.

Mr. Pangborn reported that LTD continued to hold public outreach meetings regarding the service redesign. He stated that two people had attended the meeting in Creswell, four had attended the meeting held the previous evening, and approximately 20 people attended the meeting in Springfield.

Mr. Pangborn announced that LTD would be hosting the First Friday for Communities of Color on October 3. He also noted that the American Public Transportation Association (APTA) conference was scheduled for October 10. Mr. Pangborn would be attending, along with Mr. Dubick, Mr. Evans, and Mr. Eyster.

In response to a request from Mr. Pangborn, Mr. Kortge agreed to attend the MPC meeting scheduled for October 9.

Mr. Pangborn related that the chief executive officers of all of the public agencies would sign the Diversity and Human Rights Consortium (DHRC) Memorandum of Understanding (MOU) on diversity at 8:30 a.m. on October 14 at the new Justice Center in Springfield. He noted that the MOU had been signed before and this event was a resigning or rededication to diversity and human rights.

Continuing, Mr. Pangborn stated that LTD would hold an open house on the West Eugene EmX Extension (WEEE) at the Eugene Faith Center on October 20. He also noted that another public input opportunity on the service redesign was scheduled for October 13 in the Eugene Library. He stated that LTD would also be making a presentation to the Eugene City Council on that day. He added that the November 10 public hearing coincided with an LTD presentation on the service redesign proposal that is scheduled to be made before the Springfield City Council.

Mr. Pangborn informed the Board that its strategic planning session was planned for December 5 at the PacificSource building on International Way in Springfield.

## **WORK SESSION –**

### **A. LTD Rewards and Recognition Program**

Ms. Adams provided an overview of the new LTD Rewards and Recognition Program. She said this program was derived from the Looking to the Future Plan. She relayed that there had been several outcomes, the largest of which was the training and development program that now was in place. She said another significant piece in the plan was the work being done on health and safety through the Health For Life Committee. She stated that the rewards program had come from the goal to recognize and reinforce exceptional performance.

Mr. Fish reviewed the program through a PowerPoint presentation. He stated that staff had made the nominating process accessible to both employees and customers so that it was a simple procedure to nominate someone.

In response to a question from Mr. Kortge, Mr. Fish said feedback had been positive thus far.

Mr. Dubick remarked that it seemed user-friendly. He complimented staff on a job well done.

**B. 2009 Service Reduction Analysis**

Mr. Vobora provided an update on the process. He called the proposal a work in progress and stated that staff continue to review the pros and cons of the current design. He felt there were still options to consider that could enable staff to arrive at the budget goal of a 15 percent reduction in operations. He relayed that staff had talked with the Service Advisory Committee, which included bus operators and Operations staff, in order to bring them into the process and gain their perspectives. He stated that staff also were working with the Lane Council of Governments (LCOG) to look at the Title 6 issues to evaluate the low-income and minority census blocks to determine whether any issues would arise from service changes.

Mr. Vobora observed that customer feedback had been sparse. He had been impressed by how understanding people seemed to be, though they did advocate for their own needs. He stated that LTD had done much to publicize the changes. He noted that 40,000 mailings were sent to residences and business included within all of the areas in which route deletions and changes had been proposed. He said other efforts to disseminate the information included posters on the bus, articles in the onboard newsletter, signs at the downtown stations, and letters to the elected officials and all of the Title 6 organizations and social service agencies. He felt that *The Register-Guard* had done a good job of informing the public. He said that radio stations had been picking up the press releases and that LTD had bought ads that listed the meetings as well. There were booths at both the recent Fiesta Latina and the Eugene Celebration with information for the public.

Mr. Vobora stated that staff were trying to understand why more people were not providing input. He said they planned to buy some radio advertising that would run during the first two weeks of October, prior to the public hearing.

Mr. Kortge agreed that people had been receptive to the problems that LTD was trying to address. He thought the Celebration and Fiesta had been great opportunities to get information out.

Mr. Dubick said the couple of people who came to the public input session held in Creswell had determined that there would still be routes that would work for them.

Mr. Evans agreed that the people who came to the input sessions were understanding of the situation. He said that they had their own suggestions and needs, but in the "grand scheme of things" he thought people would be amenable to the changes. He suggested that LTD find a way for people to engage through the Website—perhaps through a message board. He thought it possible to gain more input through e-mails. Mr. Vobora noted that a lot of comments were received via e-mail, though the LTD Website did not provide a message board.

Mr. Vobora stated that he had provided the Board with the packet of information that had been provided to the Service Advisory Committee. He reviewed some of the route changes. He noted that a neighborhood loop had been added in the Terry Street area that was thought to potentially serve more residents there. He said there were two major corridor routes in the South Eugene sector. He stated that the South Willamette area route actually went through the Amazon Station and down Hilyard Street to the University of Oregon, passing South Eugene High School. He said this would be lost under the current proposal. He said that staff were considering allowing the 73 and the 25 to remain in order to maintain the connection at Amazon Station, but this would



cost 2 percent more. He thought there could be some options regarding the frequency of those routes.

Continuing, Mr. Vobora reviewed the proposed changes to the Springfield sector. He said the 18 route was formally a loop route, becoming the 19 route, and now this would be two separate line routes and service to 'Q' Street would be eliminated. He noted that page six of the Board packet indicated the projected lost ridership due to the changes. He stated that there were also some route timing issues between the two routes, which would have to be approved by the City of Springfield. He thought the route changes would be controversial. He indicated that if it was not possible for the route to be made in an hour (requiring LTD to move to expanded routing), it could cost as much as \$120,000 per year to add another bus.

Mr. Vobora brought up the timing issue, noting that staff had been promoting September 2009 as the implementation date. He said there were a few routes that could be cut in February. The advantage to this would be that some savings would be realized sooner.

In response to a question from Mr. Necker, Mr. Mueller clarified that the stand-alone routes were the only routes that could potentially be eliminated in February.

Mr. Evans asked if there was push back regarding the 3X route from the University students and employees. Mr. Vobora replied that there was an alternate service available to them. He pointed out that people who took the 3X could take the 51 instead and transfer to the EmX.

Mr. Gaydos felt the percentage gain made it worthwhile to discontinue those routes. Mr. Kortge concurred.

Mr. Dubick asked how this would affect the bid process. Mr. Vobora replied that it would be folded into the winter bid. Mr. Dubick asked if there would be staffing reductions at that point. Mr. Vobora responded that LTD was already down six operators.

Mr. Necker asked if any operators would have to be terminated in the fall. Mr. Vobora said the proposal being considered would eliminate 27 operator positions, or a net of 21. He thought that LTD would be able to handle all of the layoffs through attrition, including pending retirements.

Mr. Vobora stated that staff and the Leadership Council were trying to decide whether 15 percent would be a sufficient reduction. Mr. Pangborn added that the problem with the situation was that both revenues and expenses were moving targets. He said they decided to adopt the current assumptions--though it may be that the assumption for fuel could be lowered.

Ms. Hellekson stated that the worst case scenario projected fuel costs at \$5 per gallon, but LTD had paid \$2.92 per gallon on the previous day.

Mr. Pangborn acknowledged that costs fluctuated greatly but he assured the Board that the 15 percent cut was necessary. He said the possible need to make more cuts would be addressed as more information came to be known. He stated that one issue that would have to be addressed was the reduction in reserves; LTD needs a plan to build them back up. He felt planning staff had done a magnificent job of rethinking service and getting the message out to the public. Without the reserves, staff would not have been able to do such a good job.

Mr. Pangborn discussed the August performance report, noting that weekday ridership was up 16 percent and that mobility-assisted riders were up 10.4 percent. He also noted that as the economy worsened, LTD payroll collections would likely decline. He said that currently payroll taxes were down 2 percent, without including the Hynix closure.

Mr. Vobora added that other services would be affected. He cited as an example that dispatching 50 buses for services for the home football games might need to be modified.

Mr. Kortge expressed appreciation for the level of complication the situation presented. He asked what would happen if LTD needed to trim another 5 percent. Mr. Vobora responded that a Tier II cut scenario was included in the Board packet. He said they could look at reducing the coverage or frequency more, but this was not a comfortable position. He relayed that he had spoken on the telephone with a woman earlier in the day who had waited for a bus on Main Street at 10 a.m. and had been passed by two buses because they were too full. He did not feel very comfortable in making more cuts, but thought it was a possibility. He thought they might review span and days of the week next.

Mr. Mueller underscored the importance of maintaining frequency, especially during peak hours. He said if ridership kept increasing, the current services had elements that could be in jeopardy.

Mr. Vobora predicted that scheduling delays would increase as buses had to make more stops to pick up people, but the planning staff was adding running time to routes to accommodate larger customer loads.

Mr. Evans remarked that there was hope through the energy bill before Congress, as it included some fuel money for surface transportation. He said House Speaker Pelosi had predicted the bill would be "dead on arrival." He stated that nothing would happen until after the election.

**SPECIAL DESSERT IN HONOR OF DEBBIE DAVIS** – Mr. Evans spoke glowingly of Ms. Davis's service on the Board and presented her with gifts from the Board and staff. Mr. Gaydos expressed appreciation for having a strong representative from Springfield on the Board.

Ms. Davis commended the staff of LTD for their integrity and hard work. She was pleased with the Governor's appointee, Doris Towery, who would be replacing her.

Mr. Evans introduced Doris Towery, the new representative from Springfield. Ms. Towery thanked Mr. Evans and the Board, stating that she looked forward to working with them.

The meeting temporarily adjourned to enjoy cake in Ms. Davis's honor.

#### **EMPLOYEES OF THE MONTHS – SEPTEMBER AND OCTOBER 2008**

Director of Maintenance George Trauger introduced Perry Crawford as the September Employee of the Month. He said Mr. Crawford was well-known for his integrity, honesty, and a good work ethic. He also said that Mr. Crawford set a good example for the rest of the department. He stated that one of the reasons Mr. Crawford was being honored as an Employee of the Month was that the department had started a Maintenance Instructor Program and Mr. Crawford was part of the Joint Maintenance Committee and had helped to get the program started.

Mr. Crawford thanked everyone and applauded the teamwork of his department.

Mr. Vobora introduced Service Planning Manager Will Mueller who was the October Employee of the Month. He stated that Mr. Mueller had begun his career at LTD as a bus operator and now, some years later, worked in Planning. He commended Mr. Mueller for his teamwork, noting that he had also coached the LTD softball team. He said Mr. Mueller brought passion to his work and cared very much for the people LTD served.

Mr. Mueller expressed appreciation for the family atmosphere at LTD. He commended the present and past LTD Boards for its work, calling it an exemplary group. He said that the Board is a great example of voluntary stewardship of a public agency.

### **AUDIENCE PARTICIPATION**

**Cynthia Kokus**, 2465 Jefferson Street, Eugene, said she had been riding the bus “forever” as she had grown up in New York City. She now rode the bus because of her convictions and not because of necessity and was devoted to public transit. She related that as an elder she wished to frame the reasons for public transit: human need was first and foremost, and this included populations such as low-income people, young people, the elderly, and people with special needs. She stated that there were also environmental concerns to consider, and it was important to emphasize that transit use had a positive impact on traffic congestion and air quality.

Ms. Kokus stated that public transit was subsidized by federal, state, and local dollars. She thought the public was ill-informed and unable to lobby for their considerations. She attributed part of this to a lack of information. She stressed the importance of gaining the public’s advocacy, but she observed that people were hostile and questioning the need for the EmX and terminals. She related that her hairdresser was angry about the employer tax. She also thought people were unable to get to LTD meetings because of the location of the LTD site. She stressed that when people heard that ridership was up but services were being cut it did not make sense to them. She thought people would not be difficult if they just understood what was going on and would contact their local representatives and lobby on behalf of LTD.

Mr. Evans pointed out that LTD was trying to do just that with the outreach meetings being held regarding the proposed service cuts. He stated that meetings were scheduled for the following night at South Eugene High School and Willamette High School.

**Josef Siekiel-Zdzienicki**, 1025 Taylor Street, Eugene, observed that there had been an increase in ridership due to the EmX. He mentioned that the next EmX line would be completed in 2010. He asked if LTD was expecting another increase in ridership with the new line and asked how this would coordinate with the current service cuts. He encouraged LTD to communicate the answer to the public.

Mr. Evans clarified that ridership was up due to several factors in addition to EmX. He attributed the majority of the increase to the sporadic increases in fuel prices. He felt that the EmX was one of the linchpins of LTD’s ability to extend its capacity for more service.

### **ITEMS FOR ACTION**

#### **A. Consent Calendar –**

1. Minutes of the May 21, 2008, Regular Board Meeting
2. Minutes of the June 18, 2008, Regular Board Meeting/Public Hearing on Fares
3. Minutes of the July 16, 2008, Regular Board Meeting/Public Hearing on Fares

Mr. Gaydos clarified that though he had not attended the May meeting he had been recorded as having voted, and asked that the minutes be amended to reflect this correction.

MOTION Mr. Gaydos moved adoption of LTD Resolution 2008-032: It is hereby resolved that the Consent Calendar for September 17, 2008, is approved as amended. Mr. Kortge provided the second.

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

**B. First Reading** – LTD Ordinance No. 40, An Ordinance Regarding the Excise Tax on Employers and Self-Employed Persons; Amending Ordinance 39, Sections 2 and 3

MOTION Mr. Gaydos, seconded by Mr. Kortge, moved that Ordinance Number 40 be read by title only.

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

Mr. Pangborn read Ordinance No. 40 by title only.

## ITEMS FOR INFORMATION AT THIS MEETING

### A. BOARD MEMBER COMMITTEE REPORTS –

**APTA Authorization Committee** – Mr. Evans stated that he had attended the legislative meeting in Washington, D.C. the previous week. He reported that the committee addressed several things in regard to wrapping up the authorization package for presentation in San Diego with the intention of moving the package forward in Congress for the 2009 session. He said that they had addressed section 5309 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) and decided to split it in half. He explained that 50 percent would be discretionary and 50 percent would be formula funding, with the formula funding split in half so that the issue of bus replacement could be addressed. He stated that they had removed the piece that directed replacement at 150 percent of the lifetime of the coach and changed it to direct that replacement should start at the buses' 12-year limit. He said that the language referred to the useful life of the bus. He relayed that they also addressed an issue regarding training and development and had discussed forwarding a proposal within the authorization to fund training centers around the country specifically dedicated to transit for operators, maintenance people, administration, and professional development personnel.

Regarding para-transit, Mr. Evans reported that there were some issues that no one would address. He explained that some of LTD's fellow transit properties in the east did not have the

same kind of relationships with paratransit and accessible and disabled communities. He said they did not want APTA to go after funding for paratransit because they were afraid that transit districts would misuse the money or, if the money went away, they would not live up to commitments made to service for paratransit. He underscored that LTD was “way ahead of the curve” with paratransit and had done a lot in partnership with the paratransit community. He relayed that he had talked with Eugene City Manager Jon Ruiz the previous day about the possibility of a United Front lobbying trip request for LTD funding for paratransit.

In response to a question from Mr. Kortge, Mr. Evans clarified that LTD was unique in how it provided paratransit services. He explained that a lot of the big systems still did not have fully accessible transit. He stated that LTD was fully accessible in 1985 on its fixed-route service. He said the disability communities in the cities that still were not accessible did not trust their transit districts to take money that could be used in other areas and use it for paratransit.

Mr. Pangborn said that LTD took a different approach to serving the community. He stated that LTD was working with the disabled community toward approaching the State Legislature for more money for transit. He explained that places like Philadelphia were under a court order to do a better job of making transit accessible. He said the disabled community suspected that the city would do a “bait and switch” if it received extra money and would just spend it on trains to the suburbs or something. He noted that half of all of the transit riders in the United States resided in the New York City area.

Mr. Evans commented that when he was in Austin, Texas for a bus and paratransit conference, there had been a protest from the paratransit community because the services to the disabled community were inadequate.

**West Eugene EmX Extension Corridor Committee** – Mr. Gaydos had no further information to report.

**EmX Steering Committee** – Mr. Gaydos had nothing to report.

**Metropolitan Policy Committee** – Mr. Evans said that the MPC September meeting had been cancelled. He said Mr. Vobora had made a presentation at the August meeting about the service cuts. He stated that there had been a fierce discussion regarding the proposed expansion of Delta Sand and Gravel.

**Board HR Committee** – Mr. Gaydos reminded the Board that September 22 would be the last date to turn in their reviews of the General Manager’s annual performance.

**Board Service Committee** – Mr. Necker reported that the committee had discussed the system redesign and what would be acceptable and what would be unacceptable. He noted that the things the committee had discussed were included in the Board packet.

**B. BOARD COMMITTEE ASSIGNMENTS** – Mr. Pangborn stated that Mr. Eyster had made some appointments: departing Board member Debbie Davis would be replaced on the Finance Committee with Mr. Necker, and new Board member Doris Towery would be replacing Ms. Davis on the EmX Steering Committee and the Pioneer Parkway EmX Corridor Committee. Mr. Pangborn pointed out that in January the Board would have an opportunity to review, and if desired, change current committee assignments.

**C. FY 2007-08 ANNUAL PERFORMANCE REPORT** – Mr. Pangborn provided a brief overview of the *FY 2007-08 Annual Performance Report*. He attributed the decrease in RideSource productivity to the greater distances driven by service providers. This was because the available land for assisted living centers was located on the periphery of the community. He noted that the results from the independent audit would be available in November.

Regarding *Negative Employee Turnover*, Mr. Kortge asked if this only referred to people who were dismissed. Ms. Adams replied that it included anyone who left for any reason other than retirement. Mr. Kortge remarked that it was an awkward measurement. Ms. Adams pointed out that LTD's turnover rate of 2.6 percent was enviable for most businesses.

Mr. Gaydos was impressed by the reduction in the number of workplace accidents and time lost. Ms. Adams responded that LTD had experienced a somewhat high rate for a while, but now had a significantly reduced number of injuries and had been successful in getting people back to work soon after their accidents.

Mr. Pangborn added one item of New Business: the final design for the Pioneer Parkway Gateway EmX Extension was almost completed and there had been testing for the placement of a bus shelter or bus stop.

**D. MONTHLY FINANCIAL REPORT – JULY AND AUGUST, 2008** – Ms. Hellekson highlighted the July and August Financial Statements. She stated that ridership continued to be good. She reported that the major concern was that payroll tax receipts were down.

Mr. Necker asked how the Hynix closure would affect revenue. Ms. Hellekson replied that LTD would not see the effects until the February distributions.

Mr. Evans related that he had discussed fuel prices with the general manager of the Wenatchee, Washington transit district and Wenatchee was getting a good price. Mr. Trauger responded that LTD was going out to bid on fuel and lubricants. He said that LTD invited its other partners and was looking at demand pooling. However, locking into these types of fuel contracts while prices were high was like buying into the futures market; it is a guess as to which way the market will fall. He felt LTD was doing as well or better in costs of those resources. He cautioned the Board and staff from considering buying on outside contracts as it was important to keep the revenue in the community, and it was also uncertain as to who would be hired to deliver the product.

Mr. Kortge commented that LTD was conducting this business in the right way.

Mr. Pangborn stressed that LTD collected local tax dollars and sought to circulate the money back into the community.

**ADJOURNMENT** – The meeting adjourned at 7:28 p.m.

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Board Secretary

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MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING/PUBLIC HEARING

Monday, October 13, 2008

Pursuant to notice given to *The Register-Guard* for publication on October 9, 2008, 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, October 13, 2008, beginning at 5:30 p.m., in the Bascom-Tykeson Room of the Eugene Public Library, 100 West 10th Avenue, Eugene, Oregon.

Present:       Greg Evans, Vice President  
                  Michael Dubick  
                  Gerry Gaydos  
                  Dean Kortge  
                  Ed Necker  
                  Doris Towery  
                  Stefano Viggiano, Assistant General Manager  
                  Jeanne Schapper, Clerk of the Board  
                  Lynn Taylor, Minutes Recorder

Absent:         Mike Eyster, President

**CALL TO ORDER/ROLL CALL** – Mr. Evans called the meeting to order and called the roll. He welcomed new Board member Doris Towery.

**PRELIMINARY PUBLIC HEARING ON FY 2009 SERVICE RECOMMENDATIONS** – Director of Service Planning, Accessibility, and Marketing Andy Vobora stated that ridership was increasing, with records being set each month. He anticipated exceeding 12 million annual boardings. He reviewed productivity statistics for various routes and compared the 10 highest and the 10 lowest in productivity. He said that overall the system as a whole was very productive with an average of more than 53 boardings per revenue hour. He stated that the District was faced with budget challenges including fluctuating fuel prices and the increasing cost of paratransit services. Additionally, almost 80 percent of LTD's funding comes from payroll taxes, and with a weakening economy, LTD will see that income begin to decline.

Mr. Vobora identified potential solutions to budget problems, including fare increases, state and federal funding, and local funding options that could be considered in the future. He said the District's budget was closely scrutinized, and expenses pared wherever possible, leaving service cuts as the means necessary to address any remaining budget deficit. He said service reduction recommendations were made with the following goals in mind:

- Maintain service frequency on major travel corridors
- Maintain 60-minute frequency on urban routes
- Ensure no disproportionate impact on low income or minority populations
- Maintain the current span of service
- Avoid changes that increase costs
- Minimize creating transfers



Mr. Vobora said that there would be additional opportunities for public input prior to the Board's decision on recommendations at its November 19, 2008, meeting. He said that a majority of the changes would occur in September 2009. He explained proposed service changes throughout the system.

Mr. Evans opened the public hearing and explained the process for providing testimony.

**Hilary Dearborn**, 38513 Jasper-Lower Road, commented on elimination of the 8X route. She said cutting service to outlying riders was not the best way to cut costs. She felt that the 8X was not well known, but it made commuting by bus possible for many people who could not use transit to get to work if they were limited to regular service. She said ridership on that route had been increasing and would continue to grow as people discovered the service.

Mr. Vobora agreed that ridership on the 8X was increasing and current data was considered when making recommendations.

**Terry Tanton**, 38814 Camp Creek Road, also spoke to the elimination of route 8X and said many people were upset with the possibility of losing that service. She said that eliminating express service adversely impacted working people and she urged the Board to consider retaining the route. She reminded the Board that working people generate payroll taxes, which help to support the District.

**Jeana Thompson**, 3991 Alcona Street, Springfield, expressed concern about the overflow on several routes and noted that she had been bumped on several occasions when buses were full. She rode the 11 and felt that eliminating the 8X would create even more problems with full buses.

Mr. Vobora replied that the District tracked overloads on the system on a weekly basis and was looking at a policy change to require people to move from wheelchair bays to reduce the times that riders in wheelchairs were left behind. He said the proposed change would be presented to the Board for consideration.

**Karen McClain**, 6975 Bluebelle Way, Springfield, expressed her opposition to eliminating the 8X. She said that the buses seemed to be full and did not understand how the service could be recommended for cuts. She felt that cutting the 8X contradicted LTD's mission statement as most 8X riders did not feel that the 11 was a viable, reliable alternative. She submitted written comments.

**Lynette Boon**, 2115 Hawkins Lane, Eugene, advocated for the #76. She said that Hawkins Lane was steep and walking up the hill was difficult for the elderly and handicapped. She rode the bus as a University of Oregon employee on the group pass program, but was willing to pay the fare from her own pocket if that would keep the service going. She suggested continuing to provide service during the morning and evening hours so that people could continue to commute to work. She said the other buses going to the University were already very crowded.

**Wendy Butler-Boyesen**, 3805 Paget, Eugene, stated that she was a longtime bus rider and that her husband was disabled and used either RideSource or regular service if she accompanied him. She reinforced earlier comments concerning overloads on buses and endorsed a policy change that would require riders to give up a seat for a disabled rider. She advocated for service on Hawkins Lane and rush hour service on Oak Patch Road, which had a dense population of low income riders who depended on the bus to get to work. She also encouraged service to the

Tamarack Center for disabled riders who used that facility. She said that elimination of that service would increase the demand for RideSource.

**Beth Prescott**, 1554 Oak Patch Road, Eugene, commented that route 30 was a heavily used service with buses usually packed with riders. She said that the 78 was not a substitute as it did not provide service to downtown; it only provided service to the University. She said Oak Patch was a long street with numerous large apartment complexes and it would be difficult for people to have to walk to 18<sup>th</sup> Avenue or 11<sup>th</sup> Avenue to catch the bus. She felt that many people would stop riding the bus if it became inconvenient, and she feared that transit would become irrelevant. She urged preservation of service during rush hours.

**Matt Koehler**, 1554 Larkspur Loop, Eugene, said he was a rider on the 60 route and would not advocate preserving the full service, but encouraged the Board to consider options such as keeping one bus in the morning and one in the evening, or allowing some access to Cal Young on the 66 or the 67 for riders in the Ferry Street Bridge area.

**Ed McDunn**, 3690 West 1<sup>st</sup> Avenue, Eugene, speaking on behalf of the Pearl Buck Center, pointed out that the Center's services were now consolidated in a facility on West 1<sup>st</sup> Avenue. He said that all of the Center's clients rode public transportation and thanked the District for its service to the developmentally disabled population. He said that the 32 route was essential to the center's clients.

Mr. Vobora noted that route 32 was unaffected by the proposed reduction in service.

**Peter DeFoi**, 1133 Olive Street, Eugene, indicated that he had worked as a business manager for a nonprofit organization and understood the difficulties in dealing with budget cuts. He appreciated the service LTD provided. He had been bumped from full buses and expected that to continue in the future. He recognized the need to cut service on routes with lower ridership.

**Jan Griffin**, 6487 D Street, Springfield, said she rode the 8X route. It would add another hour to her commute each day if she had to use the #11, making it more feasible to drive to work. She said that for some riders it was not possible to stand for long periods of time, and they could not give up their seats for a wheelchair rider.

**Ernie Unger**, 1542 West 1<sup>st</sup> Avenue, Eugene, speaking on behalf of the Eugene Mission, noted that the #40 and #52 routes served the Mission's 2<sup>nd</sup> Avenue and Chambers Street location. He said the Mission had between 300 and 400 guests per night and many rode the bus. He asked for clarification of continued service to that area.

Mr. Vobora explained that the Mission's location would be served by the proposed new #51 route.

**Ellen Johnson**, Eugene, stated she was very angry when she heard that LTD was cutting service, but had learned a lot at the hearing, including how much effort had gone into the proposed changes for combining and streamlining routes. She purposely lives without a vehicle for transportation to protect the environment. She then asked Board members to indicate who lived car-free or regularly rode the bus. She expressed concern with the peak oil crisis and the community's survival, which would depend on having a reliable transportation system in place before people were no longer able to use their cars. She said more funding was needed to expand service.

**Mel Barnes**, 1473 C Street, Springfield, distributed written remarks. He advocated for retaining the #18 and #19 routes to the Willamalane Adult Activity Center. He said that many of the riders on those routes had limited mobility and would be forced to use RideSource if the service was eliminated as accessing other routes would be hazardous. He hoped that the Board would continue to consider his previous proposals for service as well.

Mr. Vobora commented that the Activity Center would continue to be served.

**Tim Cookson**, 6578 Aaron Lane, Springfield, spoke to the District's proposed budget and expressed concern with the built-in increases in fuel prices at a time when fuel prices had collapsed. He said it was unlikely that prices would rise until the recession was over and that should allow fewer cuts to be made. He encouraged incremental cuts tied to actual fuel price increases, or a fuel surcharge, in lieu of cutting service. He said that there should be cuts to administrative jobs commensurate with service cuts. He noted that debt service in the budget indicated the District could borrow funds, at least for capital projects, and suggested that additional funds could be borrowed to support service and then repaid in the future as the economy improved. He said that refinancing the outstanding debt at a lower interest rate was another option to consider.

There being no further testimony, Mr. Evans closed the public hearing and called for comments from staff and Board members.

Mr. Vobora thanked those who spoke and said that all public comments would be reviewed with the Board at its October 15 meeting. He said that any updates to the service recommendations would be posted on the District's website and discussed at the next public hearing on November 10.

Mr. Evans asked if the elimination of the #8X would be reconsidered based on the comments received. Mr. Vobora said that any of the recommendations could be revisited and the administrative budget was also being reviewed.

Mr. Kortge remarked that it was difficult to estimate fuel prices and that was why the changes were being proposed for September 2009. He added that the budget remained a moving target.

Mr. Necker stated his support of the concept of express service in the morning and evening and asked riders to submit specific proposals on the website for which times those buses would best serve the riders' needs.

**ADJOURNMENT** – The meeting adjourned at 6:50 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, October 15, 2008

Pursuant to notice given to *The Register-Guard* for publication on October 9, 2008, 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, October 15, 2008, beginning at 5:30 p.m., in the LTD Board Room, 3500 East 17<sup>th</sup> Avenue, Eugene, Oregon.

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

Absent: Gerry Gaydos

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the regular Board meeting of the Lane Transit District (LTD) Board of Directors to order and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Eyster related that he, Mr. Pangborn, Director of Human Resources and Risk Management Mary Adams, and another LTD employee had participated in the resigning of the Memorandum of Understanding (MOU) with the Diversity and Human Rights Consortium, consisting of 11 agencies in the community.

Mr. Eyster asked Mr. Evans to speak about the Rosa Parks statue project. Mr. Evans reported that they were close to the target amount of \$37,000 pledged for donations for this particular event. He noted that the committee had received a check from County Commissioner Bobby Green for \$2,500 and had commitments from other agencies and businesses. He stated that the City of Eugene planned to donate \$10,000, which will be the second largest contribution next to LTD's contribution. He explained that the statue would be located at 10<sup>th</sup> Avenue and Olive Street and was planned to be unveiled as part of the Martin Luther King, Jr. Celebration in January.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – Mr. Pangborn said Assistant General Manager Stefano Viggiano would speak about a study of the possible use of biogas for fueling buses. He also noted that under Items for Information, Mr. Simmons intended to speak about the repairs that were planned for the Franklin Boulevard EmX Corridor.

**BOARD CALENDARS** – Mr. Pangborn directed Board members to review the updated calendar. He announced that there would be another open house at the Eugene Faith Center between 3 and 7 p.m. on October 20 regarding the West Eugene EmX Corridor. Mr. Pangborn announced that the Springfield Justice Center would be dedicated at 10 a.m. on October 22. He said that he planned to attend and invited Board members to join the celebration. He added that the Springfield Chamber of Commerce planned its fall breakfast for October 23 and that Mr. Eyster planned to attend.

Mr. Pangborn reviewed the November events, which included a presentation to the Lane County Board of Commissioners by LTD staff on the service redesign, scheduled to be held on November 5. He said that there would be another special hearing at the Eugene Library on November 10, and on that same night, he and Mr. Eyster were scheduled to make a presentation to the Springfield City Council. He related that the Lane Metro Partnership Dinner and Awards ceremony was scheduled for November 12 at the Downtown Athletic Club. He added that the Board's Strategic Planning Session was scheduled for December 5. Mr. Eyster reminded the Board that they would be voting on the service redesign package at the November 19 Board meeting.

## **WORK SESSION**

### **A. 2009 Annual Route Review Service Package Discussion**

Director of Service Planning, Accessibility, and Marketing Andy Vobora said that if the Board moved ahead with the proposal as it stood, the changes in service were planned for Fall 2009. He stated that there were three routes that stood alone, route numbers 3X, 8X, and 7X, and could be changed in February 2009. He added that the proposal had been to cut all of the service for those routes, but staff had received a lot of comments regarding the 3X and 8X.

Service Planning Manager Will Mueller stated that staff had reviewed those trips and had some ideas in response to these requests from the public. He noted that staff felt that route 7X had good alternative service with the 12 running by International Way. In terms of 8X, he said that one alternative proposal would be to keep two of the four trips, which would save .125 percent – which is half the reduction in costs from the current proposal. He explained that, out of the 11 trips that the District currently provided on route 3X, if the Board proposed keeping a “packet of trips,” that would make sense in terms of productivity and timing, and it would decrease the savings by another .125 percent. He stated that the combined changes would reduce the savings from 14.4 percent to 14.1 percent. He said that staff did not support changing anything else in order to add services back. He suggested that the Board review the Tier 2 concepts included in their packets if they wanted to consider other alternatives- though staff was not very supportive of those changes.

Mr. Necker recalled that at the first public input session several people had suggested providing an express route from River Road to the new hospital. He assumed that this could not be done given the present financial conditions. Mr. Mueller confirmed that LTD could not provide that route in the current environment.

Mr. Vobora said that LTD would continue to discuss the potential route with the hospital, noting that there was a precedent for investment in these kinds of services.

Mr. Pangborn wondered if there was a way to share the responsibility for the route to Thurston High School and he asked what the cost was. Mr. Vobora responded that one percent of service equaled \$200,000. Mr. Pangborn surmised that it would cost approximately \$80,000 to continue the service. He noted that this could not be made up by doubling the fares.

Mr. Pangborn noted that Portland ran a commuter service from Vancouver, Washington into Portland, but it was a premium service for which people paid a premium fare. He thought LTD could present the Thurston route as a premium service. He suggested the possibility of reducing the service and, as an example, propose to the high school that if they could double the usage, LTD could reconsider keeping the service. He remarked that part of it was a productivity issue.

Mr. Vobora said that all of the seats were filled at least one morning per week.

Mr. Mueller stated that staff also looked at the net cost per trip on the express routes. He compared the cost of the two strongest trips of route 8X (which has a net cost of \$3.10 per trip) and route #11 (which costs \$1.03 per trip). He stated that if they kept the six most productive trips of the #3X, the cost per trip would be \$2.71, and the cost on route #51 was \$1.15. He emphasized that the trips were two and a half to three times more expensive to provide than complementary service. He said that they would have to generate another \$315 in revenue per day from ridership to make up for \$80,000 in costs.

Mr. Evans asked if this premium rate would have to be charged to just the express routes or would it be unique to one route. Mr. Vobora replied that he thought it would have to be uniform to all express routes.

Mr. Evans related that the bus system he had grown up with in Cleveland, Ohio, had featured zone pricing. He asked what zone pricing would look like for the LTD area. Mr. Vobora responded that zones were typically used by larger metropolitan areas. He said that the area had used zone pricing at one time, but it had been administratively difficult for a system this size.

Mr. Evans said he was thinking of a reverse zone concept, such as charging to go into the urban core.

Mr. Pangborn stated that LTD did have three zones at one time, but there had been an enforcement problem. He explained that employing zones required the driver to keep track of where people boarded the bus and where they departed. He added that staff also would have to create different fare instruments to account for it. He stated that less than five percent of riders came in from the rural routes, so charging more for those fares may actually be more expensive. He added that he did believe they would have to review the fares again.

Mr. Kortge thought it made sense to charge more for express services. He stated that LTD should do so as part of a bigger policy resulting from fare review rather than in response to a particular situation.

Mr. Dubick was concerned that they did not know how far the economy would fall. He was not comfortable proposing a change in reductions unless a specific source could be identified.

Mr. Kortge concurred. He asked Director of Finance and Information Technology Diane Hellekson to review the assumptions again. Ms. Hellekson replied that the assumptions were that the payroll tax would remain flat; but with the rate increase, the payroll tax would grow by 2.8 percent. She said that alternatively, there had been reductions in the amount of payroll tax collected, and this created a huge impact. She stated that staff had also assumed that diesel fuel would be more than \$5 per gallon, but currently it is costing less than \$3 per gallon. She explained that this would balance out the reduction in payroll taxes, but not entirely.

Mr. Evans expressed some concern about the political ramifications of the changes. He did not want to create a negative impression among LTD's riders. He contended that they needed to factor in the commitment to customer service, and customers overall, when making any decisions.

Mr. Dubick felt that the Tier 2 concepts impacted transit-dependent people the most. He did not feel comfortable taking services from the transit-dependent in order to provide what he considered a privilege for people who could choose whether or not to ride the bus.

Mr. Evans pointed out that some people would be transit dependent because they could no longer afford to drive their cars.

Mr. Vobora said that staff still believed those cuts needed to move forward. He agreed that the people who wanted to retain the express service did have an alternative to fall back on.

Mr. Necker assumed that they could add the morning/evening express routes back in if circumstances changed. He reiterated that the budget the Board had considered was based on the worst-case scenario. He added that if the District did take in more revenue than it was spending, the Board should consider rebuilding reserve funds first.

Mr. Eyster observed that when Board members attended the public input meetings, people often asked that their services not be taken away. He said that they had to remove 15 percent of service from someone and whoever lost their service would not like it. He said that they needed to consider taking service from people who were completely dependent on riding the bus or taking it from people who had other modes of transportation.

Mr. Necker pointed out that when wheelchair users rode the bus, they had to make concessions. He explained that he had to adjust his routine so that he arrived for the bus that picked up prior to his normal bus just in case there were no wheelchair spaces available. He felt that other people could learn to change their routine if need be. He declared that LTD could not provide what it could not afford to provide.

Mr. Vobora asked the Board whether they were comfortable with instituting the changes on routes 3X, 7X, and 8X in February 2009.

Mr. Kortge indicated his support for doing so.

Ms. Towery commented that it seemed like a choice between "bad or worse." She agreed that the people who supported the 8X route were passionate. She had been impressed by their willingness to pay more for the service, but she also agreed that they were making a decision between offering service to people who had a choice about riding the bus and those who did not. She said that staff needed to find a way to tell LTD's story to the community. Staff needed to communicate that this was the last thing LTD wanted to do and that this might be part of the sacrifice the community had to make for the moment.

Mr. Eyster ascertained that there were no objections on the part of the Board to instituting the first changes in February 2009.

Mr. Evans said that the quicker the service cuts were implemented, the less painful they would ultimately be. He said that service could always be added back.

Mr. Necker thought that making the cuts in a couple of installments was a wise choice.

Ms. Towery related that she had heard comments from elderly people and people in wheelchairs that sometimes people were not willing to move to allow them to board or that elderly people were not being given seats. She said that staff should focus on reviewing the policies, given that someone in that position could choose a more expensive alternative that LTD provided for these people.

Mr. Vobora said that Accessible Services (AS) Manager, Terry Parker indicated that AS staff had initiated a dialogue about this approximately one year ago.

Mr. Mueller agreed that staff had work to do. He felt that part of the issue was that the buses were full, and at times 15 or 20 people may have to get off the bus to allow a wheelchair on, and then there was the potential of someone not being able to get back on the bus. He noted that LTD buses had to pass by 15 to 20 people in wheelchairs per week due to capacity issues.

## **B. Biogas Proposal**

Mr. Viggiano explained that there is a proposal by Sylvatex Biofuels to conduct a pilot study to determine the feasibility of using the excess methane gas produced by the Metropolitan Wastewater Management Commission (MWMC) wastewater treatment plant for bus fuel. He said there would be a cash match contribution requested from LTD for the funding, which would be provided by the Oregon Department of Energy. He noted that 85 percent of the methane produced by the facility was used to generate power and the rest was burned off. He stated that currently approximately 70,000 cubic feet of gas was burned off every day, and if this was cleaned and compressed, it could possibly fuel up to ten buses. Mr. Viggiano remarked that the issue had come up a number of times over the years. He added that staff



was concerned that if LTD embarked on using the gas, and the MWMC decided to use all of the methane output, LTD would have to find another source.

Mr. Evans related that Monterey, California was embarking on a mustard seed gas program that they believed would double the fuel returns over corn-based and other fuels. He wondered if this was something that LTD could pursue.

Mr. Viggiano stated that the fuel from mustard seeds would be a biofuel.

Will Klausmeier, a member of the group working as part of Sylvatex Biofuels, stated that the difference between the biofuel option that Monterey was pursuing and the potential use of the methane was that the product for the methane was already there and just needed to be cleaned up and compressed.

Mr. Eyster asked if staff were working with the team whose representatives were present. Mr. Viggiano confirmed that they were and that they were collaborating with the MWMC to talk with the Department of Energy. He explained that the deadline for the proposal was October 24 and the timeline was short. He said that a \$12,000 to \$16,000 match was a requisite for the grant, half of which could be provided as in-kind services and that the other half was required to be cash. He said a couple of the county commissioners had indicated support for the study but had not provided the money match.

Mr. Klausmeier related that they had a private contributor that was willing to submit part of the cash match.

Mr. Necker asked how long that amount of methane would run ten buses. He also wanted to know what kind of conversion was necessary for the buses to burn methane. Mr. Viggiano replied that 70,000 cubic feet of gas is released every day and would fuel the ten buses for the entire day. He also explained that LTD would have to buy buses that already ran on natural gas. He did not believe it was possible to convert the existing buses so that they would burn natural gas. He felt that if this was a direction LTD wanted to pursue, new buses would need to be purchased over a period of time.

Mr. Kortge understood that the money was only to conduct the study. He asked if they would look into the costs of operating the buses as well.

Mr. Klausmeier stated that part of the study would look at the cost of training the maintenance workers and the drivers.

Mr. Evans asked if there would be a way to partner with the City of Eugene. He felt that it was in alignment with the Sustainable Business Initiative. He thought that if the project went forward it could be a public/private partnership.

Mr. Viggiano observed that the cost of the study and match was relatively small.

Mr. Klausmeier related that another focus of the study would be on the financial implications. He believed that there were ways to make the use of the gas for fuel financially desirable.

He added that there were other sources for methane should the MWMC begin to use the 15 percent it produced that was currently being burned.

Mr. Evans indicated his support for the study.

Mr. Kortge expressed some skepticism. Even though LTD's contribution would only be \$6,000, he likened it to buying a "pig in a poke." He stated that if LTD were to pursue this, the District would have to form separate operations for the different buses, different fueling, and maintenance of the buses.

Mr. Dubick asked if staff were interested in running Compressed Natural Gas (CNG) fueled buses in the District. Mr. Viggiano replied that the District had previously looked into CNG buses and had decided not to go in that direction. He noted that Salem had run buses on CNG and was now moving away from that fuel.

Mr. Kortge asked why Salem was moving away from it. Mr. Viggiano responded that there was not really a cost advantage anymore, the buses had less power, and the infrastructure to fuel the buses was very expensive.

Mr. Pangborn added that they needed to find a way to manage fuel costs for the long term. He said that hybrid electric vehicles were one option, and at this point, it appeared that vehicles that ran on CNG could not be hybridized. He added that he supported the study because it would provide valuable information. He thought that running buses on two different systems would not be cost-effective, but it would be beneficial to determine what the cost comparison might be.

Peter Chabarak, co-presenter with Mr. Klausmeier, stated that the study would have two phases. LTD would be focused on the first phase, which sought to determine whether using the fuel that was available right now would be feasible. The second phase would look into the details of fueling the entire fleet. With regards to sharing the cost, he said that Sylvatex had a commitment from the County, but they had not had the time to hold a formal meeting to approve sharing the cost. He stated that they had not yet met with the cities of Eugene and Springfield.

Mr. Evans commented that LTD had always been a cutting edge agency. He felt that the District should keep "pushing the envelope" because the return could outweigh the initial investment. He said that if this system worked, they could have more opportunities to leverage more money.

Mr. Eyster felt that this was a staff decision more than a Board decision.

Mr. Viggiano indicated that staff support providing the cash match for the study.

### **C. West Eugene EmX Extension Project Update**

This item was deferred to later in the meeting.

**EMPLOYEE OF THE MONTH – November 2008** – Director of Transit Operations Mark Johnson introduced the Employee of the Month for November, Amanda Kearney. He commended her for her attitude and for her energy, noting that she had been nominated by a passenger for handling a potentially difficult situation on the bus very diplomatically.

Ms. Kearney thanked everyone for the award. She said she enjoyed her job very much and felt that she worked with a “great group of people.”

### **AUDIENCE PARTICIPATION**

**John H. Williams** stated that he had been riding the system for six or seven years and had been reporting issues as he saw them. He provided the Board members with a packet of information regarding his concerns. He said he would like to communicate with the Board at a later date about the information. He noted that a lot of it was about fuel conservation.

Mr. Eyster remarked that staff would be happy to meet with Mr. Williams.

### **6(c). West Eugene EmX Extension Project Update**

Director of Planning and Development Tom Schwetz provided an update on the West Eugene project. He reviewed the timeline and said that the project was entering the alternatives analysis phase. He stated that the locally-preferred alternative selection would occur in late 2009. He added that staff had completed the scoping process.

Mr. Schwetz said that staff had conducted work sessions with the public and based on the input received, a range of alternatives had been developed, and sketch-level plans had been drawn up for review at community design workshops. Staff also held a resource agency workshop which is an important part of the environmental process.

Mr. Schwetz stated that the remaining milestones included the October 20 open house, the drafting of the Environmental Impact Statement (EIS) and its public review process, the selection of the preferred alternative, and the design process. He noted that the 30 percent design process was slated to be completed by the time the EIS had been finalized.

Mr. Evans asked what would happen if LTD selected a preferred alternative and the City concurred and then, because of the Metropolitan Policy Committee (MPC) voting rules (which allow one jurisdiction veto power) the alternative was vetoed. Would the project planners then return to the drawing board. Mr. Schwetz confirmed that this was a possibility. He thought that if this happened, LTD would have to work through the rules within the MPC to try to reach a solution.

Mr. Pangborn said that LTD needed the agreement of the City of Eugene. He underscored the importance of getting both Eugene and the County in alignment with LTD on the plan.

Mr. Schwetz specified that staff had gone before the Eugene City Council on September 8. He said that the Council had tried to take some of the alternatives off the table, but the Eugene city attorney clarified for the councilors that to do so was not within their purview. He stated that the Corridor Committee would advise both the EmX Steering Committee and the

Board, and then the Board, the Eugene City Council, and the MPC would have to decide on the locally preferred alternative. The Federal Transportation Administration (FTA) and the Army Corps of Engineers would have to concur. He also said that the planners were focused on how to keep the public engaged throughout the process.

Mr. Necker ascertained from Mr. Schwetz that LTD's relationship with the FTA would affect the funding. He said there was a good chance the project would be eligible to go through the funding process. He added that part of the work was to strategically look at how to best position the project within the federal grant process.

Mr. Pangborn stated that whether or not the FTA would support the project would be based largely on a cost/benefit analysis. He stated that lower costs and larger customer usage would cause the FTA to look most favorably on the project.

In response to a question from Mr. Pangborn, Mr. Schwetz stated that the 60-day review process of the draft EIS would start at the beginning of September 2009.

## ITEMS FOR ACTION

### **A. Second Reading and Adoption, LTD Ordinance No. 40, An Ordinance Regarding the Excise Tax on Employers and Self-Employed Persons; Amending Ordinance 39, Sections 2 and 3**

Ms. Hellekson stated that the first reading of the ordinance had occurred at the previous month's meeting. She explained that a second reading and adoption would be needed at the present meeting for the ordinance to proceed. She noted that in the event of an affirmative vote, it would take effect in 30 days and the new rate structure would be implemented January 1, 2009.

MOTION Mr. Kortge moved that Ordinance No. 40 be read by title only. Mr. Dubick provided the second.

Mr. Pangborn read the title of Ordinance No. 40 into the record.

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

MOTION Mr. Kortge moved adoption of Lane Transit District Resolution No. 2008-033: Resolved that the Lane Transit District Board of Directors adopt Ordinance No. 40, an Ordinance of the Lane Transit District Regarding the Excise Tax on Employers and Self-Employed Persons; Amending Ordinance 39, Sections 2 and 3. Mr. Dubick provided the second.

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

**B. Recommendations for the Reauthorization of the Federal Surface Transportation Bill**

Mr. Viggiano explained that the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) was slated to expire in September 2009, and leading up to its reauthorization, a number of groups were providing comments to Congress on what should be included in the new bill. He noted that Mr. Evans had been part of the authorization committee that had provided such recommendations.

Mr. Evans reported that the group's work was done and the recommendations had been finalized.

Mr. Viggiano stated that before the Board were the recommendations from the local United Front group, of which there were three parts: policy recommendations, regional priorities, and project requests to be developed at a later date. He noted that LTD had conferred with Congressman DeFazio's staff and they had recommended that LTD take this action. He said that the document before the Board described the current challenges and a fairly significant shift in focus for the surface transportation bill. He provided a brief overview of the *draft report*. He highlighted Eugene's desire to focus on garnering more operational funding for transportation preservation and maintenance.

Mr. Evans said that he had spoken to Eugene City Manager Jon Ruiz. They had discussed the possibility of getting at the Americans with Disabilities Act (ADA) issues through the United Front by putting together a social service request that would include LTD in a pass-through function. They would then be able to receive funding based on LTD's social service profile for providing service for disabled and elderly customers. He thought that this could be a creative way of packaging this effort in order to receive funding.

Mr. Viggiano continued his review of the summary of the plan and requested the Board's support. He noted that the County Commissioners had approved the original version.

MOTION Mr. Evans, seconded by Mr. Necker, moved approval of Resolution No. 2008-034, approving the recommended policies and regional priorities as the United Front position for the 2009 reauthorization of the Federal Surface Transportation Bill.

Mr. Evans commented that he felt they had a reasonable request in the plan. He had been disappointed, however, in some transit partners in the east that were not as proactive in addressing the ADA/paratransit funding issues. He noted that the task force was asking for more than double the amount that had been provided through the SAFETEA-LU funding. He felt it was a bold and aggressive authorization: They were focusing on promoting new

technologies, public/private partnerships, and the expanded capacity of transit around the country.

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

At Mr. Evans request, Mr. Pangborn reviewed the concerns regarding ADA funding for transit in the east. He explained that LTD was one of the few districts in the nation that had been proactive in addressing the needs of the community of people with disabilities. He stated that transit users in some of the larger cities in the east had a more fractious relationship with the transit authorities. He said that the ADA advocates were concerned that if the transit districts received federal money, the money would not be used toward improvement in the services for people with disabilities.

### **C. Selection of Pension Trustee-Elect**

Ms. Adams said that with the impending departure of the current pension trustee, Mr. Gaydos, from the Board in January 2010, it would be prudent to prepare another Board member to take over the position. She explained that the Board is asked to approve the creation of the position of Pension Trustee Elect to serve as a trustee in training. The Board would then be asked to approve the appointment of Board member Dean Kortge to the nearly created position.

MOTION Mr. Dubick, seconded by Mr. Necker, moved approval of Lane Transit District Resolution No. 2008-035: The Lane Transit District Board of Directors hereby adopts the new position of Pension Trustee-elect for the LTD/ATU Pension Plan and the LTD Salaried Employees Retirement Plan, to serve as a trainee until such time as the current trustee resigns as trustee or is no longer a member of the Board of Directors.

Mr. Eyster thanked Mr. Kortge for being willing to serve as Pension Trustee.

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

MOTION Ms. Towery, seconded by Mr. Dubick, moved approval of Resolution No. 2008-036: The Lane Transit District Board of Directors hereby approves the appointment of Board Member Dean Kortge to the position of Pension Trustee-elect as defined in this document and approved under LTD Resolution No. 2008-035.

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

## ITEMS FOR INFORMATION AT THIS MEETING

### A. Board Member Reports

Mr. Eyster reported that he had attended the Eugene City Council meeting with Mr. Mueller and Mr. Pangborn, who provided a presentation on the service reduction plan. He noted that one councilor expressed her "extreme disappointment." He remarked that they shared this disappointment, adding that no one liked that LTD had to make service cuts. He underscored that there was no more money coming from the state and there were no other choices but to reduce service. He sensed that the Council and staff had a good understanding of the situation.

Mr. Kortge related that a councilor had indicated to him that he thought the presentation went very well.

Mr. Eyster noted that they would be providing the same presentation to the Springfield City Council and the Lane County Board of Commissioners.

#### 1. Meetings Held or Attended

- a. **West Eugene EmX Extension Corridor Committee – September 29**  
There was no further report.
- b. **Board HR Committee – October 14**  
There was no further report.

#### 2. No Meeting/No Report

- a. **APTA Authorization Committee**
- b. **Board Service Committee**
- c. **Metropolitan Policy Committee**
- d. **Board Finance Committee**
- e. **EmX Steering Committee**
- f. **LCOG Board of Directors**
- g. **Gateway EmX Extension Corridor Committee**

### B. Monthly Financial Report – September 2008

Ms. Hellekson reported that ridership continued to be strong. She said that the continued robust ridership increase that the District was experiencing was unprecedented. She related that along with the increases came capacity issues as buses were overloaded. Ms. Hellekson stated that payroll tax receipts were the major concern as receipts from the quarter that ended in June were down.

Mr. Kortge asked if the effects of the Hynix closure were being felt at this point. Ms. Hellekson replied that LTD would continue to receive those taxes through the end of September.

Ms. Hellekson stated that fuel costs were down: the 3-month average is currently under \$3.75 per gallon. She stated that in the previous year fuel costs had increased by 57 percent between the months of January and May. She felt that it was good news that the fuel costs were at least below what had been budgeted.

Ms. Hellekson said the audit report would be provided to the Board in December.

Mr. Evans asked when the three big projects that were on the horizon for the metropolitan area (the University's arena, the southbound flyover for Interstate 5, and the new bridge on Interstate 5) would begin. Ms. Hellekson responded that she believed those projects would be initiated in 2010. She added that the work on the arena project would be expedited so that it could be built between athletic seasons, which meant that there could be a higher percentage of payroll tax receipts received from the project sooner.

Mr. Eyster noted that bond funding for projects was currently challenging due to the financial climate.

### **C. Monthly Department Reports**

Mr. Pangborn reported that when LTD had been working on the EmX corridor on Franklin Boulevard, the engineers thought it would be unnecessary to lay concrete across the intersections. The city and LTD staff have now discovered that the EmX buses were stressing asphalt and concrete at the intersections and it was breaking. He noted that they had redesigned the Pioneer Parkway corridor as a result of this experience.

Mr. Simmons showed slides of the damage. He said that LTD would need to rebuild some of the intersections. LTD had been working with Eugene to prioritize the intersections to be fixed. The intention now was to rebuild the intersections in concrete. He said LTD planned to rebuild the two worst intersections in the next several weeks and the rest in Summer 2009.

Mr. Evans asked for an idea of the financial impact. He also wondered who would be footing the bill, given that the City owned the roads. Mr. Simmons responded that the damaged areas were on parts of the lanes that were dedicated to the EmX. He thought it would be a tough sell to get the City to participate in fixing it.

Mr. Evans asked if the money was in the contingency fund and how much would be needed. Mr. Simmons estimated the cost to be \$150,000.

In response to a follow-up question from Mr. Evans, Mr. Simmons said he thought the shelf-life of the repairs would be 20 to 40 years.

Mr. Necker asked how the repairs would affect the EmX route. Mr. Simmons replied that the bus lanes would be closed from East 11<sup>th</sup> Avenue to Agate Street; however, the bus stop was



located to the east side of Agate Street, so that service up to Dad's Gate would not be impacted. He thought they should be able to maintain current travel times.

**D. Monthly Performance Reports**

There were no questions about the report.

**ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING**

- A. Public Hearing: FY 2009-10 Service Recommendation (November)**
- B. Public Hearing: FTA Grant Applications (November)**
- C. Gateway EmX Extension Update (November)**
- D. General Manager Performance Evaluation (November or December)**
- E. Board Strategic Planning Work Session (December)**
- F. Legislative Agenda (December)**
- G. Independent Audit Report and Comprehensive Annual Financial Report (CAFR) (December)**
- H. Gateway Station Construction Update (future meetings)**
- I. LTD Sustainability Plan (future meeting)**
- J. Park & Ride Program (future meeting)**

**ADJOURNMENT** – The meeting adjourned at 7:40 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING/PUBLIC HEARING  
Monday, November 10, 2008

Pursuant to notice given to *The Register-Guard* for publication on November 6, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a public hearing and special Board meeting on Monday, November 10, 2008, beginning at 5:30 p.m., in the Bascom/Tykeson Meeting Room in the Eugene Public Library, 100 West 10<sup>th</sup> Avenue, Eugene, Oregon.

Present: Greg Evans, Vice President, presiding  
Dean Kortge  
Ed Necker  
Michael Dubick  
Gerry Gaydos  
Jeanne Schapper, Clerk of the Board  
Stefano Viggiano

Absent: Michael Eyster  
Doris Towery

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the special meeting of the Lane Transit District (LTD) Board of Directors to order and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Evans indicated that he would be presiding at the meeting in place of Board President Michael Eyster.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were no announcements or additions to the agenda.

**PUBLIC HEARING ON 2009 SERVICE RECOMMENDATIONS** – Mr. Vobora acknowledged the strong increase in LTD ridership but also emphasized that fares represented only about 15 percent of operating costs, with payroll tax revenues picking up the remainder. He said that while fuel costs had gone down recently, payroll tax revenues were also going down because of the poor economy. Mr. Vobora said that LTD had to balance its budget, and many parts of the community would see service reductions, even on well-used routes. He acknowledged that such reductions would be painful.

Mr. Vobora discussed the community outreach effort that had occurred since August 2008 and said the Board had received all public comments submitted to date. He said that the Board would act on the service reduction package on November 19, 2008. At this time, he did not know if other service reductions would be necessary during this coming year.

Mr. Vobora reported that LTD would implement the majority of the proposed changes in September 2009, but it was possible that some routes could be eliminated earlier.

Mr. Vobora provided a brief overview of the recommendations and noted changes made since the last hearing.

Mr. Evans reviewed the rules of the public hearing.

**Shelly Dunbar**, 1333 Oak Patch Road, Eugene, asked the Board to retain the #30 bus and maintain the current level of service on Oak Patch Road. She said that many people depended on the #30 and added that some people would not be able to walk the distance necessary to reach the bus stop.

**Karen McClain**, 6975 Bluebell Way, Springfield, spoke in regard to the #8X bus, clarifying that it was the later rather than earlier bus that was her concern. She first criticized the public hearing process as meaningless. She then criticized the counting method as flawed. She suggested that LTD was discriminating against the larger community with its concern that cutting elsewhere would have a bigger impact on transit-dependent riders. Ms. McClain said that her commute time would be doubled if the change was made. She said that she would now have to drive to work, which was a financial hardship. She expressed disappointment in the process and said that she would not support any LTD funding proposal and had lost confidence in the management of LTD.

**Linda Miller**, 1631 Adkins Street, Eugene, asked the Board to retain the #3X bus and noted that her count indicated an average of 28 passengers in the morning and 13 passengers in the afternoon. She felt that overcrowding on the buses also should be considered when reductions were contemplated. She thought that the #3X was cost-effective in comparison to the alternatives. She said that buses to the University of Oregon (UO) were packed to capacity already. People using other routes could be stranded downtown if other routes to the University were not added, and the need to transfer would add more travel time for commuters. With the deletion of the Breeze, more options would be lost.

**Tanya Truax**, 401 East 32<sup>nd</sup> Avenue, Eugene, emphasized the importance of service to 1<sup>st</sup> and Jefferson streets on the #51 bus.

**Chris Baird**, 1600 Adkins Street, Eugene, said in an earlier e-mail to LTD staff that she had suggested limited service on the #3X bus during peak times and was asked by staff how she proposed LTD would pay for it. She pointed out that LTD received funding from the UO, and it made sense to her that the University's money should be spent to meet the needs of students and staff who used the #3X bus. Speaking to the question of supporting those who relied on the bus for their basic needs, she said that she needed the bus to get to work, and her employer supported LTD. If the bus was eliminated, she would have to ride 1-1/2 hours every day to travel three miles to work. She agreed with Ms. Miller about the limited options for #3X riders and full EmX buses traveling to UO and said that it would only get worse if the #3X were eliminated.

**Lindsay Elliott**, 425 South 39<sup>th</sup> Street, Springfield, stated that she was a rider of the #8X bus and strongly encouraged the Board to consider the needs of the riders of its express buses. She said the ridership of the later buses was higher than the earlier buses, and reductions to the earlier routes would inconvenience far fewer people. She was unwilling to lengthen her commute by 70 minutes each day, which was what would be required if the bus was eliminated. She encouraged LTD to maintain skeletal service for the express routes with the highest ridership. She suggested that the provision of mass transit was only one aspect of LTD's mission, and spoke of the environmental value of LTD's service. She said that LTD must attract car riders and suggested that express routes were a key element to serving that population. She thanked the Board for the service provided by the #8X bus to date and observed that she rode the bus 3,000 miles each year to and from work.

**Marion Walter**, 1846 Orchard Street, Eugene, asked the Board to pay special attention to wait times involved when making route changes. She said that people avoided using the bus if the wait times were too long. She asked when the Board was going to consider offering the voters a bond measure to underwrite improved service, suggesting that the cost was minimal and people would be happy to pay it. She asked what bus would be going up 13<sup>th</sup> Avenue. Mr. Vobora indicated that it would be the #28 bus.

**Emily Tarletsky**, 725 East 14<sup>th</sup> Avenue, Eugene, represented the UO Club Crew Team. She said that elimination of the #92 bus would likely mean the end of the crew program given the higher costs participants would have to pay for other forms of transportation. She recommended that the Board consider eliminating the route in the winter months to save money. She said people who worked at the UO and Northwest Christian University also rode the 7:55 a.m. #92 bus back to campus with the team. She hoped the crew team would be larger next year and could continue to take advantage of the bus.

**Carol Seaton**, 1150 West 15<sup>th</sup> Avenue, Eugene, offered the audience a true/false question based upon a situation involving an LTD bus and her grandchild and complained about an LTD rule she said the public did not know about. She submitted a proposal to each Board member and invited them to contact her.

**Megan Walsh**, 1537 Inchwood Avenue, Eugene, asked the Board to retain the #3X service as one of the few direct routes residents had to campus. She pointed out that student ridership on the route had skyrocketed over the past few years. It was a reliable route and served those students who were unable to afford housing near campus. She concurred with the remarks of those who spoke in favor of retaining the #3X and their suggestions for alternatives. She mentioned the student fees she paid to use the bus and said it did not make sense that one of the few direct routes to campus would be canceled. She added that she believed ridership numbers were higher than indicated by staff.

**Tammi Martin**, 89 North Polk Street, a rider of the #7X bus, said that the express bus riders were concerned about losing their service. The proposed changes would add commute time to and from work, and she believed it would likely drive people back into their cars. She acknowledged there could be higher ridership on other routes but thought the Board needed to consider that fact and the potential that additional commuters could impact the roads and bus travel times. She did not believe that her co-workers at the RiverBend campus accepted the time delays that occurred on the #12 bus--particularly when school started--which caused delays in travel time.

**Kathy Garland**, 1356 Victorian Way, stated her support for the #3X service. She said that the parking on campus was reduced considerably and there were few other options for UO staff and students. She said that buses were late to make connections to the EMX, and sometimes 15 minutes could be critical. She said there were 22,000 students on campus and their needs should be considered.

**Eve Siecinski**, 3293 Spearmint, a #3X bus rider, said that many UO staff and students recently started using the bus because parking fees had increased on campus and many parking spaces were eliminated. She thought that elimination of the #3X would be problematic for her and others. She said that reliable bus service was important to students and staff who depended on the bus. Ms. Siecinski agreed with others offering testimony that reduction of the route would mean that people would miss their connections. She observed that the #3X bus was always full.

**Bonnie Dominquez**, 3959 E Street, Springfield, said that Lane Community College students asked the District to fix the connection between the #11 bus and #85 bus. She said that students sometimes missed the downtown bus connection by only a minute and then had to wait for the next bus. She asked if buses going on to LCC could be held at the station to accommodate students who were traveling on buses arriving late for transfers.

**Ken Rivernider**, 140 Hamilton Street, Eugene, clarified the details of the new #57 bus route with Mr. Vobora. Mr. Rivernider believed that more buses were needed on the River Road corridor. Mr. Necker pointed out that the frequency of service meant that there would be no service reduction in the corridor--even with the elimination of the #52 bus.

**Janelle Halesworth**, 29851 Willow Creek Road, Eugene, representing Molecular Probes, asked the Board to retain the #36 bus route extension to Pitchford. She described her company and anticipated that it would expand and increase both production and its workforce. She reported that 66 percent of the company's workforce, when surveyed by Commuter Solutions, indicated that they would be very or somewhat likely to use LTD bus service. The company was looking into group pass options. She suggested that the Board consider removing two of the four #36 route extensions, which are the 5:20 p.m. and 6:20 p.m. pick-up times at Pitchford, due to low use. She suggested that one year was not enough time to gauge the success of the other extensions.

**Mark Unno**, 262 East 38<sup>th</sup> Avenue, Eugene, spoke of the elimination of the #25 and #73 buses and the proposal to combine services on the #28 bus. He said that the #73 bus was the only route between south Eugene and the UO and that the bus was packed in peak periods while being virtually empty the remainder of the time. He asked if there were ways to increase efficiencies--other than through the elimination of routes. He noted that many special needs people lived in south Eugene for whom changing a bus would be a hardship. He asked if the decision makers had actually ridden the routes to test their theories in regard to the proposed changes, and asked if the testimony of those who were actual riders would be given consideration.

Mr. Evans emphasized that the Board was taking all the testimony it was hearing into careful consideration. Mr. Necker added he was a bus rider and was familiar with many of the routes in question.

**Tony Attilles**, 4115 West 8<sup>th</sup> Avenue, #29, Eugene, said he was visually impaired and could only get around by bus. He said the #30 bus was proposed for deletion and that was his route to work. He asked that the route not be deleted as it was his only way to get around town. Regarding the proposal to delete routes #64 and #67, he said he also used those routes to reach various locations.

**Julia Green**, 275 West 38<sup>th</sup> Avenue, Eugene, spoke on behalf of the #7X, which she used to reach work. Ridership on the route had grown over the seven years she had used the bus. She noted that two outbound and inbound routes were eliminated earlier in the year. She acknowledged the low ridership and indicated that the cuts increased ridership on other departure and arrival times. Many people had begun to use the bus because of increased gas prices, and now that prices were going down, it would be good to retain those individuals as bus users. She said the #12 was very busy and elimination of the #7 would increase crowding on that bus and make the ride a less pleasurable experience. She concurred with the remarks of those who spoke to the negative impact of increased automobiles on the road. She was unable to drive and

the elimination of the route would have a strong impact on her. She believed that it would be a good idea to retain the #7 bus to serve the commuters who worked in that area of Springfield.

**Stephanie Baker**, 1340 Washington Alley, Eugene, a UO student, said service reductions would make using the bus a less viable option for her. She asked for more evening hours on the #52 route in order to maintain adequate service to the UO.

**Matt Kauhuer**, 1554 Larkspur Loop, Eugene, a rider of the #60, said he was jealous of express riders because at least they had an alternative. He asked the Board to retain one morning and one afternoon run on the #60 bus. He said the elimination would leave a hole in that section of Eugene and the closest bus service was more than a mile away. If that was not an option, he asked if it would be possible for LTD to reroute the #66 or #67 buses in order to pick up part of that service.

**Sue Ann Parker**, 136 Lea Lane, Eugene, spoke in favor of retaining the #3X bus. She worked at the UO and that route was the best for her to get from home to work and back again. She said that the bus was very full for all the runs it made. Removing the route would make the commute very long for riders because of the need to make a connection at the downtown station. If the route were to be eliminated, she would likely have to drive to work because of the long days she worked. Ms. Parker said there was insufficient parking on campus to rely on a space each day and the price of a parking sticker or metered parking was cost-prohibitive. She said that she would probably have to seek employment in another city with good bus service. She noted the fact that the 6:11 p.m. departure time was eliminated and said that she would no longer have transportation after late classes in winter quarter, and three other people in her department would also be affected by that change.

**Josephine Co**, 3065 West 15h Avenue, Eugene, identified herself as a UO employee and long-time bus rider. She rode both the #30 and #78 buses and said that lately the #78 bus was very crowded. She suggested that articulated buses be employed on the route in peak hours. She said that elimination of the #30 bus would make the situation worse. She suggested that the route be retained at peak times. She said that one of her neighbors also used the #30 bus but had to leave the hearing early. Ms. Co also noted that the #30 route was a major factor in her home purchase. She said that children and physically challenged persons lived on her street and also needed service, at least part of the day.

**Jon Hines**, 830 5<sup>th</sup> Street, Springfield, spoke in support of retaining the #66 bus. He said the bus was full with two wheelchairs on it during inbound journeys, and he believed that the reduction of the #64 bus would mean an even fuller bus. The bus was usually two to four minutes late now, and he feared it would get worse. He also was concerned about the elimination of the #3X bus and the impact that would have on the ridership of the #51 and #66 buses. Mr. Hines also expressed concern about the elimination of the #13 bus going downtown as it was very heavily used. He suggested that some of those riders would choose RideSource, and did not think that service to the hospital should be reduced as it was very difficult for some people in wheelchairs to access McKenzie-Willamette Hospital. He suggested that operation once an hour might be an option that could maintain service and save money.

**Misha Seymour**, 1313 Lincoln Street, #307, opposed the elimination of the bus routes. He called for reductions in administrative salaries if money was the problem. He said the #30 had been in place for years.

**Rose M. Reynolds**, 541 Helen Street, Eugene, spoke in support of retaining the #3X service. She did not have a car and could not afford to buy one. If she had one, she could not afford parking. She was the main breadwinner in her family and worked Sunday through Friday and saw her children at limited times during those days. If she took regular service and had to transfer, it would add 30 minutes to one hour to her trip and take time from her children. She said that if the service was cut, she would have to find a place closer to the UO; but it was difficult to find a place that fit her family and was within her budget. She said it was not just a financial issue.

**Mel Barnes**, 1473 B Street, Springfield, thanked the Board for sending the bus to the senior center. He mentioned that he did rider training for a senior facility in Springfield.

**Shepard Dale**, 895 West 12<sup>th</sup> Avenue, Eugene, felt it was a misstep to add the EmX Extension to Gateway before expanding to West 11<sup>th</sup> Avenue.

There being no further comments from the public, Mr. Evans closed the public hearing and called on staff for comments.

Mr. Vobora clarified that the #67 bus was not being deleted, but in fact, service was being increased during peak travel times. He believed that there would be adequate capacity to accommodate mobility devices along the Coburg corridor.

Speaking to service in Eugene, Mr. Vobora said that staff examined many options involving a number of combinations, all of which added cost to the District. He said LTD was trying to meet cross-town demand. He acknowledged that asking people to transfer at the Amazon Station was not an ideal situation, but staff had not been able to find another option without adding additional cost.

Mr. Vobora indicated that he would follow up with Mr. Hines to clarify his testimony regarding service to McKenzie-Willamette Hospital, noting that there was still service to the hospital on G Street via the #18 bus.

Mr. Vobora noted the Board's direction for a 14.5 percent reduction. He indicated that staff would review the comments and anticipated there could be some tradeoffs involved to satisfy some of the changes sought by those offering testimony.

Mr. Evans suggested that there was a potential for new state and federal funding, but those funds would not be available in time to stop implementation of the service cuts. He asked about the potential of delaying the service cuts pending resolution of that issue. Mr. Vobora indicated that it might be possible to delay the reductions planned for February 2009. He suggested that the Board could consider that question at its December 5 meeting during review of the Long-Range Financial Plan.

Mr. Kortge stated his belief that the Board was essentially playing a guessing game in regard to what reductions would be needed, and in the end, it would come down to a pure "gut" decision. Mr. Evans advocated for a plastic bag fee that could be used to generate revenue for transit. Mr. Viggiano believed that there were opportunities for additional revenue from the state legislature. The revenue would not come in time for the fiscal year under discussion. In addition, payroll tax revenues may come in below projections. He stated that the Board would discuss this further at its upcoming strategic planning work session.

Mr. Evans congratulated Mr. Kortge and Mr. Eyster for their reappointment to the Board.

**ADJOURNMENT** – The meeting adjourned at 7:05 p.m.

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Board Secretary



LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING/  
STRATEGIC PLANNING WORK SESSION

Monday, December 5, 2008

Pursuant to notice given to *The Register-Guard* for publication on December 1, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting/strategic planning work session on Monday, December 5, 2008, beginning at 8:15 a.m., in the PacificSource conference room at 110 International Way, Springfield.

Present:           Mike Eyster, President, presiding  
                      Greg Evans, Vice President  
                      Dean Kortge, Secretary  
                      Mike Dubick  
                      Ed Necker  
                      Doris Towery  
                      Gerry Gaydos  
                      Mark Pangborn, General Manager  
                      Jeanne Schapper, Clerk of the Board/Minutes Recorder

**CALL TO ORDER** – Mr. Eyster called the meeting to order at 8:15 a.m. and welcomed everyone in attendance. With the exception of Mr. Gaydos, all Board members were present.

**ANNOUNCEMENTS** – Mr. Pangborn introduced Financial Services Manager Todd Lipkin, who would be running scenarios for the group as options are considered, including variables and how they affect the bottom line. Mr. Pangborn remarked that discussions today will give staff direction concerning the budget process for the next fiscal year and perhaps into the following two years. Details will follow in January through March 2009.

**ASSUMPTIONS FOR KEY BUDGET ELEMENTS–**

**1) Service Level** – Director of Service Planning, Accessibility, and Marketing Andy Vobora reviewed service level changes. Public outreach information is included in the MPC memorandum included in Board members' binders. The target was a 15 percent cut in service hours; staff was able to reduce service to 14.43 percent, resulting in an approximate \$2.5 million savings. Service hours are only one component of the service package; other pieces associated with the service package include maintenance and supervisory activities. Express routes will be cut in February 2009, with the remaining service changes to be implemented in September 2009.

Also the District is reaching an agreement with the University of Oregon (UO) to buy back service. The UO is very interested in maintaining the higher level of service between Kinsrow and is also interested in discussing direct services for students. In the first phase, UO will purchase service beginning January 5 through LTD's winter bid, which extends through spring term (mid-June). The UO will purchase additional late night service on the 79x (Kinsrow) to about 2 a.m., which is an approximate \$30,000-\$40,000 investment. There are concerns about this late night service, but it could save jobs. The University will be increasing this type of fee, which will also allow the University to enrichen its transportation programs, including bike programs. Staff are asking the University to fund Route 79x service in the gap between 7 p.m. and 10 p.m. Concerning public safety, the University has public safety personnel on campus 24 hours per day, so if there was an

issue and LTD did not have supervisory staff available, the University staff could be called upon to assist. If behavior and public safety on the bus were to become an ongoing issue, LTD could discuss expanding the Wackenhut contract. In response to a question from Mr. Dubick, Mr. Vobora added that this route would eventually be added to the regular bid.

Mike Eyster added that it would assist students who are coming out of the library late at night.

In response to a question from Mr. Necker, Mr. Vobora said that the new late night route would be paid for by the University. To clarify, it would be at the direct cost rate, rather than the fully allocated cost rate. The rate would cover the driver, vehicle operation costs, but not the vehicle depreciation and overhead.

Mr. Vobora mentioned the third option, which is to assume that LTD would receive all state and federal funds that the District is seeking, and payroll taxes would turn around, resulting in an increase in service provided. Mr. Vobora added, however, that is probably not likely in the short term. The staff recommend Option 1 be adopted and assumed in the Long-Range Financial Plan (LRFP). Any additional service reduction would be considered in FY 2010-11.

Mr. Eyster inquired as to what amount of savings would be achieved with the recommended service reductions. Mr. Pangborn answered that the savings target is approximately \$4 million and that approximately \$2.5 million would be saved through the service cut.

Mr. Eyster asked the Board for opinions on Option 1. Mr. Dubick responded that he agreed with the Option 1 recommendation. He added that if further cuts become evident in the future, they can be made at that time.

Mr. Gaydos arrived at 8:35 a.m.

Mr. Evans said that he felt that Option 2 may be the more prudent course. Given the seeming current recession, the District could be facing a worst case scenario sooner than expected. He felt that additional cuts should be considered at this time.

Mr. Vobora reiterated that the package would include Tier II cuts that were previously discussed, including Sunday and late-night service. That decision could be made as the District enters further into the budget process in the spring as implementation of those cuts doesn't require as much planning work. Staff will be presenting further information on other options as the day progresses.

Mr. Viggiano asked that if the change was made for the winter bid of 2009-10, would that decision have to be made now. Mr. Vobora answered that it is not necessary to wait until Fall 2011, but the decision would need to be made by the first of November 2009.

Mr. Eyster clarified that the Board could move in the direction of Option 1 at this time and reevaluate throughout the summer and fall of 2009; then move to Option 2 at that time if needed.

Mr. Evans stated that future construction projects will be generating revenue, but that was probably too far into the future. He added that the District should project and explore a worst case scenario.

Mr. Necker asked for clarification as to the timeline for the budget decision process. Mr. Pangborn said that a formal budget review would take place in February or March, with a final decision in April when the Budget Committee meets. In February staff should have payroll tax revenue information from the last quarter of 2008 and would also have more information on the loss of revenue from the Hynix closure. By then staff also would know how much revenue will come from the Stimulus package.

In response to a question from Mr. Necker, Mr. Viggiano said that the big picture will become more evident as all of the options are presented for discussion. It also may become evident that it is not necessary to settle on just one option, but that a combination of options may be more beneficial.

**2) Paratransit Service** – Mr. Vobora mentioned that the first quarter information that is provided shows that ridership is up 14.3 percent, but vehicle miles is up only 5.5 percent. This may mean that people are making shorter trips, but there is an increased waiting time related to these trips, which drives costs. Medical insurance costs increased only 8 percent. He reminded those present that this was an analysis of the last quarter, so a year-over-year analysis is not available at this time. A transfer of \$2.4 million was planned and is looking promising. Staff assume modest growth rates based on the work being done concerning eligibility certification and the integration with the brokerage model, which may keep the growth rate down. Another option would be to stay with the 10 percent annual growth, or an even more aggressive assumption given what is expected in the future in terms of more riders entering the system and the trend towards longer trip times.

Mr. Kortge agreed with assuming 10 percent. He was concerned, however, with the long range. Mr. Vobora responded that the service is required according to the ADA. It is hoped that some cost sharing will be received from the state in terms of cigarette tax revenues. Assistance at the federal level is hoped for as well; however, that seems unlikely.

Mr. Kortge stated that if these sources are unproductive, at some point service cuts will be necessary. Mr. Vobora added that the cuts would come from the fixed-route service.

Mr. Viggiano added that this issue is one that most transit agencies around the country face. Eventually, all agencies will be in a situation where bus service is reduced in order to fund ADA service. At that point, a solution has to come from the federal level.

Mr. Evans noted that counterparts back east do not provide the level of service that LTD provides with respect to ADA requirements. There is a large conflict between the paratransit community and the transit districts because the paratransit community alleges that the transit districts are failing to provide the required level of service. The transit agency responds that they will provide only the bare minimum required. LTD is the leader in this field in many respects. He asked if reducing LTD's paratransit services be a viable solution – or quite bad in terms of public relations. Mr. Pangborn responded that LTD is not providing anything over the minimum ADA requirements.

Director of Finance and Information Technology Diane Hellekson added that it appears that LTD exceeds the requirements because many of the things that LTD is able to do are separately funded. Credit goes to Accessible Services Manager Terry Parker for getting the grants that other programs began. Mr. Pangborn added that the manner in which the District is able to combine programs and resources makes LTD appear more generous, but in fact, LTD is more efficient.

Mr. Necker asked if eligibility requirements for services would change. Mr. Pangborn clarified that because of LTD's strict interpretation of ADA, users would maintain their eligibility. LTD hired a person through Senior and Disabled Services to go out and do individual personal mobility assessments in users' homes. It may be determined that a person is ADA-eligible, but also may be able to utilize other programs as well for which LTD will receive reimbursement. LTD has the call center so that all calls related to that person's needs may be tied together and billing can be assigned to the corresponding funding source. The person's transportation needs, therefore, may be met seamlessly. Yet the demand for paratransit service will continue to grow, perhaps because LTD provides such good service.

Mr. Vobora added that due to stricter requirements, if someone is able to use fixed-route service but is unable to get to a bus stop, paratransit service is provided to transport those individuals to the nearest station to catch the regular bus. This practice results in shorter paratransit trips. In addition, the same individuals eventually figure out how to get to the nearest bus stop on their own.

**3) Personnel Services** – Mr. Pangborn explained that the background information is separated into two categories: contract employees and non-contract employees. The 14.5 percent service reduction translates into 23 operator positions. However, with six current vacancies, the number of affected operator positions is reduced to 17.

In response to a question from Mr. Necker, Mr. Pangborn said that these operators would be laid off unless hours were cut for other operators. However, the contract does not allow for too much flexibility in reducing operator hours. Also, full benefits are extended to all operators who work a minimum of 30 hours in a single week.

Because of the reduction in service hours, the proposal also includes a reduction of two bus mechanics and the elimination of one cleaner position. Unfortunately, it is difficult to find skilled mechanics. Due to contract requirements, the newest mechanics (who have the most in-depth and up-to-date training) would be the first to be laid off. Director of Human Resources and Risk Management Mary Adams is investigating incentives that could allow the more senior mechanics to voluntarily retire if they wish, thus eliminating the need to lay off the newer and more skilled mechanics.

Ms. Adams added that there are currently 58 District employees who are eligible for retirement, many of which have chosen to work beyond retirement age for various reasons. Retirement options, such as buy-outs, are being analyzed for financial benefit to the District. Staff also are considering any ethical and legal issues that may affect these options.

Director of Maintenance George Trauger added that during the next one to three years, there will be five Maintenance staff that will be looking at retirement. Current training practices have resulted in an investment in the future for some very knowledgeable, yet newer, mechanics. The District doesn't want to lose that investment.

Mr. Evans concurred. He reiterated the importance of keeping an eye on the long-term health of the organization. Consideration needs to be given to the ramifications of laying off newer trained junior employees that could be contributing to the growth of the system. There is a need for balance when planning for the long-term.

Mr. Evans said that he hears frequent comments from the public that over the last 25 years LTD has doubled the number of mechanics, doubled the number of drivers, but quadrupled the number of administrative staff. He first asked if there was any truth to that perception and then asked if that could be something that the union may use against LTD in the current budget cut dialog. Mr. Pangborn responded that staff are currently looking at that question. There is no definitive answer yet, but staff will be going back as far as the 1980s, the most significant recession in recent history. However, he believes that LTD is a different organization that it was back then. For example, staff are now required for the BRT system, and an IT system did not exist in the 1980s. Administrative staff has been increased for good reason.

Mr. Evans emphasized the need to be aware that this issue may be raised by the union for public consumption. LTD needs to be aware of the need for transparency and clarity in terms of the real needs of the District.

Mr. Dubick was supportive of the need to look at the cost savings for retirement incentives. He also mentioned the *Passenger Transport* article that reported on a transit agency that cut cost by hiring full-time drivers to cover all routes, rather than paying overtime to current drivers. Director of Transit Operations Mark Johnson responded that staff try to maintain a balance in terms of when it is most cost-effective to pay overtime. The District saved more than 6,000 hours in overtime this past year over the year before, which is approximately \$180,000 in savings.

Mr. Pangborn also mentioned other implications of hiring full-time staff, such as the cost of employee benefits. At times, paying overtime is more cost-effective. Mr. Lipkin added that benefits are approximately 52 percent of compensation. Ms. Hellekson emphasized that fortunately the District has sufficiently sophisticated technology to track this information. She also emphasized that because the District is trying to address staff cuts through attrition as much as possible, there will be over-time paid in the short term.

Mr. Johnson added that there are currently four drivers over the age of 70 and several that will be turning 65 shortly. Mr. Lipkin commented that even if it becomes apparent in February that the District will receive stimulus money, service cuts will still be necessary, but it could be possible to offer buyouts to everyone who is eligible for retirement. Currently, the District cannot afford to offer buyouts to everyone.

Ms. Towery stated her concern about the long-term consequences of cutting trained mechanics positions. She understood the difficulty of replacing trained staff. She would rather the District look elsewhere to cut expenses, such as offering buyouts.

Mr. Pangborn then referred the Board's attention to the non-contract employees. Total administrative costs are 14 percent of budget and the District is already operating very lean. A number of administrative staff are capital grant supported, including some IT and Planning staff. These positions are being funded by a non-operational revenue stream of federal capital discretionary funds. Lay-offs of these staff members would not result in savings to the District's operational budget. This leaves a minimal level of administrative staffing. Tier II budget cuts consider reducing operational costs by reducing administrative staff. In addition, staff have proposed other ways to reduce costs without reducing staff, such as a pay freeze, voluntary or mandatory furloughs, or shorter work weeks. Mr. Pangborn gave the example of Willamalane, which is looking into closing offices on Fridays, resulting in a projected savings of 10 percent. It seems more attractive to take days off without pay rather than a pay cut or freeze. At least staff are getting paid the same for time worked.

In regards to the option of taking a day off without pay, Ms. Towery mentioned that post 9-11, the economic situation for United Way (UW) was such that staff were offered a shortened work week. This resulted in a cut in pay. Some employees were reluctant at first, yet years later, even as economic times have improved, these employees have elected to continue the shorter work week, resulting in a continued cost savings to UW. Ultimately, the cost savings to UW also was seen as a benefit to employees. Some LTD employees may see this as an opportunity to work a shorter week if they can handle the workload.

Mr. Dubick cautioned that wage freezes could result in LTD jobs being less competitive in the job market. If a furlough were adopted, salaries should continue to increase and stay competitive when the time comes to hire good employees in the future.

Mr. Pangborn clarified that offering furloughs to grant-funded positions does not result in a cost savings.

Mr. Kortge asked if grant money could be reallocated. Mr. Pangborn answered that the money could only be spent for other expenses within the grant project. Mr. Pangborn also added that

some positions cannot be subject to furlough requirements without consequences. He gave the example of supervisors taking furloughs, which would result in shifts not having supervisory coverage. He continued that when a supervisor takes a vacation, a driver is brought in as a temporary supervisor to cover, resulting in a shortage of drivers, and so on.

Mr. Necker said that it needs to be made clear to staff why some positions may not be subject to furloughs, such as grant-funded positions. Mr. Pangborn said that the issue needs to be visited on a person-by-person basis. Another issue that will affect staff sentiment is whether furloughs are optional or mandatory.

Mr. Vobora responded to an earlier comment by Mr. Evans that this option is part of the Tier II reductions; however, considering public perception, this type of staff reduction may be something to consider immediately. That would send the message that everyone is facing the current situation together. There is always the option of adding back later if the necessity for cuts is not as bad as projected.

Mr. Viggiano pointed out that one vacant administrative position in Human Resources was not filled. Also, it was found that some staff time that should have been charged to grant-funded projects was not being charged. That staff time is now being charged correctly.

Mr. Eyster remarked to the importance of documenting the necessity of some staff. Information Technology (IT) Manager Steve Parrott added that if staff hours are reduced, at some point the work will simply not get done. From an IT standpoint, the work the department does affects departments across the organization. As jobs are deferred, results of higher failures on the road and various inconveniences to staff, are ultimately felt by other departments within the organization. The dependence of positions between departments makes staff reductions difficult.

Ms. Towery asked if Lean Management training had been pursued. She is familiar with organizations that have gone through the training and discovered efficiencies that were not thought possible. Mr. Pangborn said that the District had begun the process with the Customer Service Center. Due to budget concerns, the process has now been put on hold. He expressed his agreement that the program is worthwhile and will certainly be revisited.

In response to a remark from Mr. Eyster, Ms. Adams said that she has been asked about retirement estimates from three employees. One person said that they would wait to retire to see what happens. She didn't believe that there would be any employees retiring before the District made a formal decision regarding buy-outs. It would probably not be economically possible to offer those employees enough of a financial incentive to retire, so staff were exploring other creative incentives that would entice those persons to retire.

Ms. Towery asked staff to consider the motivation for retirement-age employees to continue working. Options should be explored that consider whether the motivation is purpose-driven as opposed to finance-driven. For example, if the employee was continuing employment because of a feeling of purpose, volunteer opportunities may be offered. Partnering with non-profit organizations may be an option for getting work done around the District while giving those employees a sense of purpose. Ms. Adams answered that staff had those discussions and found two reasons given most often for not retiring were: 1) inability to afford health care, and 2) inability to afford to live on expected retirement income. It is planned to have these discussions with all potential retirees as a group and then on a voluntary, one-on-one basis if the employee asks to do so.

In response to a question from Mr. Necker, Mr. Pangborn said that the next step is to determine the effects of mandatory versus voluntary furloughs on a department-by-department basis.

Mr. Necker stated his desire to see a staff presentation on the subject.

**4) Pension Costs** – Ms. Adams stated that there were two pension plans: one for salaried and one for represented staff. Each plan has its own set of trustees. The pension plans have not been exempt from what's been going on in the investment market. The plans have lost more than 35 percent of their value. In terms of the Long-Term Financial Plan, a decision needs to be made as to how to estimate the cost of that investment loss over time. An actuarial assessment of the cost to run each plan is done every two years. The next will be done in 2010, and the District should anticipate a significant increase in the cost of the pension plans. Staff are recommending that the 2010-11 budget assume an increase of \$500,000.

Mr. Kortge asked if there was a policy statement that had been adopted that addressed the desired funding level. Ms. Adams responded that the Board wanted to see both plans fully funded at 100 percent. A 20-year cycle is used to achieve a 100 percent funding level. When the Board adopted that policy, it was known what it would take to fully fund the plans. It was understood that the next year, the number would be higher, the following year the number would be higher, and so on. Every year the District's contributions to the plans increase--even in a good market year.

In response to a question from Mr. Kortge, Ms. Adams stated that the District's unfounded liability would increase if the \$500,000 contribution were not met. In addition, the plans assume no cost of living increase in their cost of living assumptions. There is no language in the pension trust plans that automatically grants cost of living increases. The salaried trustees have not seen a cost of living increase since 1999.

**5) Labor Contract Costs** – Ms. Adams said that the contract this last period had included a 5.5 percent increase per year. The current contract expires June 30, 2010. Negotiations will probably commence in Spring 2010 for the next contract. Staff are faced with estimating what may come out of those negotiations. LTD's negotiations will likely be influenced by negotiations with Salem Transit and Tri-Met done earlier that year. Ms. Adams expressed her certainty that the ATU understands the significance of the District's current budget situation. Discussions with Jon Hunt and others have indicated that they anticipate a tough bargaining cycle with all three transit agencies. The average range of wage increases for 2008 contracts was about 2.8 percent, with about a 3.1 percent increase the year before. Generally across the country, labor contracts are settling at lower rates. In addition, union representative positions will be coming up for election in 2009. It is unknown who the District may be negotiating with in 2010. What is important is that the union is aware of what the District is doing and why it is being done in terms of staffing.

**6) Outsourcing** – Ms. Hellekson stated that staff have determined that outsourcing of some services saves money. Staff believe that consideration is being given to these issues at every opportunity and are not recommending changing its outsourcing policy.

In response to a question from Mr. Eyster, Ms. Hellekson stated that there are certain contract issues with regards to outsourcing. For example, bus maintenance cannot be outsourced because of contract issues.

**7) Materials and Services (M&S)** – Ms. Hellekson mentioned that during the October Strategic Planning Session, Leadership Council members discussed in detail materials and services expenditures and explored opportunities to save money, including eliminating one-time expenses or reducing ongoing expenses, and sustaining them at a lower level for a shorter period of time.

A large part of the M&S budget is composed of expenses of which the District has little control, including fuel (\$3.5 million of the \$8.5 million budget) and insurance. Some expenses have already been scaled back (such as the employee banquet) or curtailed altogether. Staff propose the following priorities for maintaining services while reducing expenses:

- Vehicle maintenance and safety
- Asset preservation
- Training in support of required credentials, maintenance of required technical skills, knowledge of applicable state and federal regulations
- Mandated professional services (such as the independent audit and banking services)
- Necessary professional services (such as specialized legal representation)
- General training
- Other services (marketing surveys; media development and placement; and supplies)

Mr. Evans asked if the recommendation would be modified if the District received federal funds from the stimulus and based on the change in formula allocation. Ms. Hellekson responded that the District would be able to use federal formula funds for maintenance and is proposing to do so to the extent that the Capital Improvement Program will allow. That strategy is probably not viable in the long-term.

Mr. Pangborn reiterated that this plan will be amended. Hopefully by February or March the amount of money received from the stimulus package will be known and can be added back into the equation. In addition, it will be known when the money will be received, which can take months.

Mr. Kortge cautioned staff to consider the unforeseen ramifications of canceling employee celebrations. Mr. Pangborn explained that much consideration had been given to the importance (in terms of teambuilding and employee recognition) of maintaining a celebration—though scaled back.

**8) Customer Service Center (CSC)** – Mr. Johnson explained that currently the CSC is open from 6 a.m. to 8:30 p.m., Monday through Friday, 9 a.m. to 5 p.m. on Saturday, and closed on Sundays. There is Security staff on site on Sunday who manage the lobby activity. The lobby and bathrooms are currently open on Sunday and there is a cost involved. Upon considerable review, it was decided to reduce office hours in the CSC. Staff explored three different options: 1) reduce hours from 80 hours per week to 55 hours per week, which means staying open 7 a.m. to 6 p.m., closing Saturdays and Sundays, and eliminating two CSR positions; 2) reduce hours to 70 hours per week; eliminating one position, and closing Saturdays and Sundays; and, 3) keep hours and service as they currently are.

There are only eight CSC staff, so Mr. Johnson relayed that LTD staff reluctantly recommend Option 1.

Mr. Evans asked if there was a way to keep phone lines open on Saturdays without staffing, which can be labor intensive. He felt that customers would still be calling in for directions—many of whom do not have computers to look up the information themselves, and providing that service was a very important component of LTD's service. Mr. Johnson responded that a person would still need to be on staff, and it is policy to try to avoid having only one person alone at the counter.

Mr. Evans clarified that his suggestion was to shut down the front counter and have someone out of view answering phones—at least during peak call times. He felt that maintaining a minimum level of weekend information service is a critical part of customer service. Mr. Johnson



acknowledged that Mr. Evans suggestion could be carried out with the elimination of one position, but not two.

In response to a question from Mr. Necker regarding dropped calls, Mr. Johnson said that with the weekend closure of the CSC, there would be a greater concentration of staff coverage during the week, which could reduce the number of dropped calls. Mr. Pangborn added that for the last five months, the drop call rate has been between 15 and 23 percent, which is quite significant.

Mr. Johnson noted that the dropped call rate in off peak hours is very low, and the number of calls received on the weekends is significantly less than during the week days. The desire is to eventually implement an automated phone system to improve the management of calls. Mr. Parrott mentioned a study that was done concerning an automated system. People were 90 percent more likely to go directly to a CSC representative than navigate through the phone system. Mr. Johnson pointed out the likelihood that would change if a person was not available.

Mr. Pangborn added that the District is reluctant to go to an automated system for customer service reasons; however, other districts have successfully implemented similar systems. It has been planned and has been a part of the CIP for quite a while, but it keeps getting pushed out as situations such as the present occur.

Mr. Dubick commented that the option of an automated system seemed more cost-effective than having a person on staff. Mr. Pangborn said that there were costs involved in maintaining any system.

Mr. Eyster remarked that the downtown station is a presence that adds vibrancy to the community and is a source of comfort that there is someone "at home." Yet, there certainly is a cost to maintaining that image. Mr. Dubick countered that the situation is serious and removing staff from the office sends a very visible message that the District is responding appropriately.

Mr. Johnson emphasized that the \$120,000 in savings with Option 1 could be better spent on bus service, which is the primary service LTD needs to provide.

**9) Fuel Price Assumptions** – Mr. Trauger opened the discussion by mentioning that the price of fuel was its highest in July at \$4.20 per gallon, and yesterday the price was \$1.47. The price continues to drop; however, it is unknown how long the trend will continue. The budget assumed \$3.75 per gallon, with an annual increase of 3 percent thereafter. It seems more reasonable to assume a 5 percent increase in future years. Since July, the average the District has paid for fuel was \$2.93. Staff recommend Option 3, which reflects an assumed price of \$2.80 per gallon.

Mr. Necker asked what happens to the extra money budgeted for fuel if the price comes in under the projected price. Mr. Pangborn answered that the money could be moved into the next year's budget to be used to rebuild reserves or transferred over for a local match in capital, or it can be put back into service. Mr. Pangborn emphasized that it would be a one time allocation.

Ms. Hellekson added that the amount of federal money that was to be used for maintenance could be reduced. The federal money received from formula grants can be used for maintenance, which the District does to some extent. Whatever is used for operations is not available for capital projects. The proposal is that for a period of three years, more of the federal funds will be used for operations. Nevertheless, staff feel that it is dangerous to become dependent on those funds beyond addressing the current situation, so it is planned to wean the District away from the practice at the end of three years.

Mr. Pangborn explained that Tyree Oil had recently given a presentation on fuel prices, including fuel price hedging. LTD's current price that day was \$1.82/gallon. Fuel prices could be hedged

for one month, six months, or a year, and the price per gallon would be \$2.14 to lock in for twelve months. In a sense, LTD would be asking Tyree Oil to assume the risk of a price increase, but for a fee. Currently, Mark Hay, who works in Maintenance, has a good relationship with Tyree Oil in that he is kept up to date on the best current price on the market and when to purchase. With regards to hedging, the District would be required to commit to a minimum purchase of at least 25 percent of its fuel needs. Mr. Trauger added that as of yesterday, LTD's price per gallon would have been \$1.47; the three-month contract price would have been \$1.90, which represents a markup of nearly 29 percent. For a six month contract, the price would have been \$2.08, which is nearly a 41 percent increase. There is a premium to be paid for pricing stability. Over the long term and considering the law of averages, the District does pretty well. Ms. Hellekson concurred.

Mr. Trauger offered that experts say that the projected price per barrel for crude oil is around \$60, which equates to around \$2 per gallon.

At the request from Mr. Eyster, Ms. Hellekson clarified that staff felt that overall the District was currently paying less for fuel than it would if proceeding with a hedging purchase option. She added, however, that it was not an "all or nothing" proposition. Some fuel could be purchased through contract and some could be purchased at the current market price. Mr. Trauger clarified that the amount of the minimum contract purchase would be 42,000 gallons per month. Currently the District purchases about 80,000 gallons per month.

Mr. Pangborn suggested that it did not sound like the Board thought that fuel hedging was the prudent course. Mr. Eyster and Mr. Dubick concurred.

**10) Legislative Revenue Possibilities** – Assistant General Manager Stefano Viggiano stated that there are a number of opportunities for increased revenue coming from the 2009 legislative session.

a. Elderly and Disabled (E&D) Transportation: The Governor recommends that the tobacco tax for E&D transportation be increased from the current 2 cents per pack to 2.5 cents. Currently state funding pays for approximately 11 percent of E&D transportation costs around the state. In addition, Representative Terry Beyer is expected to introduce a separate bill that would increase the tobacco tax by 7 cents in 2009 and an additional 4 cents every two years thereafter through 2015. If the bill is passed, the state would then be paying approximately one-third of E&D transportation costs around the state.

E&D funding is getting a lot of attention, so it is likely that there will be additional funding; however, it is unclear what the amount will be. A 2.5 cent increase would generate approximately \$400,000 in additional revenue for LTD.

Mr. Eyster asked for clarification as to the cost to LTD to provide E&D transportation. Mr. Viggiano responded that LTD's general fund contribution is \$2.4 million and the District receives \$600,000 from the State. Mr. Viggiano continued that LTD put forward a proposal that the Oregon Transportation endorsed for a 7 cent increase with 4 cent escalators, of which the State would fund about one-third of the total cost. Reiterating Mr. Kortge's earlier sentiments, Mr. Viggiano stated that costs that are escalating at that rate can't be sustained over time.

b. Payroll Tax: The governor's transportation package includes an increase in the maximum payroll tax rate. The 2003 legislature allowed the tax to increase from .006 to .007 incrementally over time. On January 1, 2009, the rate will be .0065 and will be .007 by 2014. The governor's proposal allows for the rate to go to .007 on January 1, 2010, and increase to .008 over the following 10 years. The proposal is likely to generate opposition and only affects LTD and Tri-Met.

c. Other Possible Revenue: The governor's package also includes the allocation of \$44 million to federal flexible funds for multi-modal transportation, which includes more than just transit. Currently, the money primarily goes towards roads and highways. The \$44 million is from the Surface Transportation Program, which is capital money and can't be used for operations. If the District receives any of these funds, it may provide some flexibility in that additional formula funds could be used for capital. It is, however, unlikely to have an impact on the operating budget.

Mr. Viggiano stated that the District is also seeking reimbursement of \$90,000 in taxes that were paid for River Road Station, and recovery of that money seems likely.

Staff recommend the fairly conservative Option 2, which assumes that the payroll tax rate would be increased to .007 immediately, with no additional cigarette tax revenue. Nevertheless, Option 3 also seems fairly realistic. Mr. Viggiano felt optimistic that the District would receive the cigarette tax as well, but hesitated to make that assumption.

In response to Mr. Dubick's inquiry concerning a jump to .008, Mr. Viggiano stated his belief that increase would be a much tougher sell to the local business community. Mr. Viggiano also emphasized that even though the legislature can allow an increase in the payroll tax, it is ultimately up to the Board to implement the tax. The message to the local community is that the District pledge not to increase the tax until the economy improves and the increases would occur over time.

Mr. Pangborn mentioned that there are currently 11,200 payroll taxpayers. Of those, 1,200 pay 80 percent of the tax and 9,000 have a maximum payroll of \$500,000 per year or less. The payroll tax at a rate of .0065 for \$500,000 is \$3,250; and for .007 the payroll tax is \$3,500.

Mr. Evans asked about a parking space fee proposal. Mr. Viggiano said that the Vision Committee came up with the idea, but no details have been given, and the proposal has not received much discussion. Mr. Pangborn said that staff would be having conversations with local government agencies to discuss the particulars of this option further.

## **11) Other Revenue Possibilities**

a. Federal Revenue Possibilities: Mr. Viggiano mentioned that the most promising options are at the federal level. A stimulus bill is being developed in January. It is expected that the first thing President-elect Obama will do is sign the bill. The speculation is that the bill will be somewhere between \$300 - \$800 billion dollars. Transportation, and transit in particular, will be part of it. Hopefully there will be some transportation operational money; although that is not a given. Operational money can be distributed fairly quickly since it will be done through a formula process; capital money is different because no earmarks are expected in the bill for specific projects. A process needs to be in place in order to determine where the money will go. As a region, the cities and LTD are putting a plan together. The money may go to the states, or it may go to the local Metropolitan Planning Organization to be distributed within the area, or it may go to the Federal Transit Administration to be distributed throughout its regions. No one knows at this time. Nevertheless, it is expected that some money will come from the stimulus package for LTD and there also is a reasonable chance that LTD will receive some operational funds.

Reauthorization is the other issue. The expectation is that the bill, which expires on September 30, 2009, will not be ready to go by October 1. It is expected that the new transportation bill will provide substantially more money. Realistically, the District cannot count on funds from this bill (at least in the short term) that will provide any relief to the current situation.

Mr. Evans offered that the original projection was to ask for more than double the SAFETEA-LU expenditure, which is \$56 billion, and transit is looking at \$123 million out of a \$500 billion package. Senator Oberstar would like to see that scaled back.

b. Local Revenue Possibilities: At the Board work session in June, several options were discussed. Some were rejected and some are still under consideration, including a parking space charge, property tax, and systems development charge. Staff are open to other options to consider as well.

Mr. Evans broached the subject of a waste management fee as a generator of revenue to be used collaboratively for roads and other things, including transit. Mr. Pangborn said that this option will be explored with City of Springfield staff and other local agencies.

c. Fare Revenue Possibilities: Fares were aggressively increased by 20 percent this past summer. The LRFP assumes that fare revenues will increase by 5 percent per year. Since substantial fare increases just occurred, it is felt that the only fare increase option to consider would be in the monthly pass rate, including the group pass (which already increases approximately 8 percent per year). Staff are weighing the possibility of losing group pass customer against the revenue generated from an increase. Given the current economic situation, staff feel that the District should not assume another increase in fares.

Staff recommend the conservative Option 1, which assumes no additional revenue from federal and local sources or from fares. While there is reason for optimism that federal funding will be increased, it is by no means certain.

If revenue for operations is received in the stimulus plan, that money would be spread out over at least a two-to-three year period.

**12) Federal Grant Funding for Maintenance** – Mr. Lipkin stated that the District currently receives \$4 to 4.5 million per year in federal formula funds, which can be used for any capital purpose. Up to 10 percent of formula funds also may be used for ADA costs, and the funds may be used for up to 80 percent of vehicle or facility maintenance costs. The District has not elected to do that in the past since the funds were needed for capital projects. Formula funds have funded bus purchases, IT purchases, facility improvements, and most of the passenger boarding improvements. In contrast, Tri-Met uses all of the formula funds received for maintenance. The things that LTD uses capital funding for (IT, facilities, etc.) Tri-Met uses general funds.

Staff propose the elimination or delay of approximately \$3.2 million of capital projects during the next three years that are scheduled to be funded with formula funds. This frees formula funds to be used for vehicle maintenance, which allows funds that normally pay for vehicle maintenance to be used for other operating needs. The options given are to not use formula funds for maintenance or to transfer \$3.2 million of federal formula funds to the General Fund over the next three years to be used for vehicle maintenance. Mr. Lipkin emphasized that either option the Board chooses is not engraved in stone. Staff would not apply for these funds until the expected revenue from the stimulus package was known. There is some flexibility and no commitment to spending the entire \$3.2 million. Also, the intent is to move away from this scenario after the current economic situation passes.

Mr. Evans inquired about continuing to run free fares on EmX. He asked if it been determined whether it is cost-effective or cost-prohibitive to install a fare system. Mr. Pangborn responded that a cost analysis was done and it was determined that the system would pay for itself. Mr. Viggiano added that the analysis did not include the capital cost of the fare machines themselves-just the ongoing cost to maintain operation of the system. Mr. Viggiano mentioned that currently 9 percent of riders on the EmX system do not pay a fare. As the system expands with a longer

corridor, the percentage of people who receive a free fare will increase; although the exact number is not known at this time.

Ms. Hellekson reiterated that it is not known exactly what the system will cost at this point, nor exactly how the system will be operated.

Mr. Dubick remarked that the perception of free fare on the EmX is the greatest cost. The discussion concerning additional revenue is difficult as long as the community questions free fares on EmX. He believed that when the doors open on the Gateway EmX line, the District needs to be charging fares—regardless of whether the District is actually making money on the line or not. No other revenue at the local level is possible until this issue is addressed. Therefore, the system will pay for itself. Mr. Kortge concurred.

Mr. Pangborn mentioned that a sample fare machine will be demonstrated at the December 17 Board meeting. The District's plan is to look at implementation of the fare system next summer or fall with the existing line, so that by the time the Gateway line is open, all the bugs should be worked out of the system.

Mr. Pangborn explained that there are options presented here today that had not been considered before because LTD always plans for the long term. If capital is depleted as some school districts do (facilities are not maintained), at some point the facilities are dilapidated and improving the facilities cannot be accomplished. LTD has never pursued a bonding issue like LCC or others do, but it is an option. For now, LTD needs to look at the next three years very critically, yet plan to get back on the previous track when the current situation passes. LTD is looking at making a substantive shift in policy and operating procedures. This shift in policy translates to \$1 million per year with few or no cuts in staff or service. Mr. Viggiano added that the projects that are deferred or eliminated are not critical to the operation of the District.

Mr. Evans directed a question of revenue options through advertising. Mr. Vobora advised that options are being considered, such as a Canadian company that does advertising on bus passes, which pays for the cost of producing the passes. Also inside ads will soon be appearing on EmX buses. Mr. Vobora added that of the cut in M&S, about \$100,000 is from next year's advertising budget, so advertising will be reduced considerably during the next year. Nevertheless, the other options will be aggressively pursued.

**13) Payroll Tax Revenue** – Ms. Hellekson stated that this tax is the primary source of operating revenue. There are two pieces to the payroll tax: the payroll tax base and the payroll tax rate increase. The optimistic view assumes no increase in the base, with the tax rate growth of 3 percent, 4 percent, 5 percent, and 6 percent in the subsequent years. The middle view assumes that the base will decline about 2.8 percent this year and about 1.5 percent next year, and then grow 3 percent, 4 percent, 5 percent, and 6 percent in subsequent years. The pessimistic view assumes a larger decline this year and then goes flat a while after another loss next year, and growth doesn't begin until the fourth year.

Staff recommend the middle view, which includes service reductions. Even if the District were to go to the 8 percent immediately, the District is still faced with a problem. If LTD receives some stimulus money, it still may not make a great deal of difference. The District will still be looking at a combination of reduction options.

Mr. Evans offered his skepticism as to how popular the immediate tax rate increase would be among the local business and emphasized the need to focus on finding a supplemental revenue source to augment the current base. He also stressed the need to address the current community attitude about ecology: green jobs and green economic solutions to environmental issues. He appealed to LTD to find a sustainable revenue source.

The Board took a break for lunch from 12:01 p.m. to 12:30 p.m.

**PROJECT CONSTRUCTION GRANT AGREEMENT** – Mr. Viggiano introduced this addition to the agenda, pointing out that this is the first agreement of this type in the country and a milestone for FTA. The attorney determined that it takes special action by the Board to authorize the general manager to sign this type of contract. Unfortunately, staff didn't learn about this stipulation until yesterday, and that notice was insufficient for the Board to be able to take action on this item today. Staff are suggesting that a conference call meeting be scheduled early next week, rather than waiting until the next regular Board meeting. Only one Board member is required to be at the location of the conference call, with a minimum of four Board members participating in the conference call. Public notice will be given, and the Board will be asked to approve the authorization of the general manager to sign the contract. The Board agreed to schedule the conference call meeting on Tuesday, December 9, 2008, at 11:30 a.m.

**WEST EUGENE COLLABORATIVE (WEC)** – Mr. Schwetz presented an overview of the WEC, which is a diverse group that has been working together for the last 18 months or so to address issues related to West Eugene land use and its environment. The formation of this group came about due to the elimination of the West Eugene Parkway proposal. The goal of the effort is to produce a consensus on a vision for West Eugene.

Mr. Gaydos added that he is impressed with the dedication that has been shown from all members of the group. The group concentrates its efforts on the environmental aspects of future growth in West Eugene.

Mr. Schwetz directed attendees attention to the Executive Summary, which best described the efforts of the Collaborative. The central piece to the group's vision is a full multi-way boulevard from Chambers to Beltline. The primary concept for a multi-way boulevard is to provide for a number of things that happen on a busy street, including access to local businesses, the creation of inviting pedestrian routes, and integrated parking. This concept goes hand-in-hand with high capacity transit. The concept includes two exclusive opposing lanes for EmX, with a buffer zone separating east/west through traffic lanes, and parking lanes. To create enough space requires the appropriation of approximately 60 feet of right-of-way.

Mr. Schwetz pointed out that with all the work the group has done on the vision, there has been no work done on an analysis of the effectiveness of the vision. LTD is looking at ways to draw through traffic off of West 11<sup>th</sup>. LTD's interests involve improvements at the intersection of Beltline and West 11<sup>th</sup> (next to Roosevelt) and Bailey Hill up to 7<sup>th</sup> Avenue. Estimated costs of the project range from \$190 to \$250 million.

In response to a question from Mr. Kortge, Mr. Schwetz said that this is a long-term vision that extends 50 to 60 years. In the context of LTD's project, this timing is well beyond LTD's 20-year investment. LTD needs to clearly state its needs in this vision.

Mr. Gaydos clarified that when this group formed, it was made clear that there were two projects to consider: West Eugene EmX and the City's project, and the group is supportive of both in its vision.

Mr. Evans expressed concern over a possible need for LTD to align its needs with those of the Collaborative. Mr. Schwetz stated that what LTD is advocating within the Collaborative is that this process does not have any analysis in terms of its effectiveness, whereas LTD's process is very detailed and looks at several alternatives. Staff also are incorporating the Collaborative's ideas when considering the options for the future EmX.

Mr. Viggiano added that this particular vision of a multi-way boulevard would work well for EmX if it included exclusive transit lanes.

**LONG-RANGE FINANCIAL PLAN** – Mr. Pangborn solicited comments from the Board.

Mr. Kortge said that it made sense to him to go along with staff recommendations.

Mr. Dubick agreed that the revenue assumptions were a moving target. All the Board can do is agree on a course of action, and if it turns out to be wrong, revisit the issue then.

Mr. Kortge related his discomfort with any formal indication from the Board that it is prepared to advance to the 7 percent immediately, even if the legislature allows.

Mr. Viggiano asked if the Board was comfortable with the staff recommendations on the other issues discussed. An affirmative response was heard from the Board members.

**BUDGET SCENARIOS** – Mr. Pangborn said that the District was looking at a \$4.1 million shortfall. If the shortfall is greater, then service cuts will need to be revisited, as well as additional transfer of federal formula funds and additional staff reductions. Capital projects will be pushed back. A major bus purchase is coming up in three years, and since the money will be spent here, that money will not be available then.

There are options for “Add-Backs.” Mr. Pangborn felt that it is less likely that this option will be considered anytime in the near future.

Mr. Pangborn then described the budget process timeline and the contributing factors, directing the Board's attention to the graph on the front wall. The timeline included the legislative session, payroll tax, stimulus package, and other factors. This timeline is helpful in order to show the decision process and District activities relative to receipt of actual funds. For example, even if LTD is to receive funds from the state through the tobacco tax, LTD wouldn't actually receive the money until mid-2010. Nevertheless, information received from the legislative session in the spring can provide budgeting information. The Gateway EmX is expected to open in late December 2010.

Mr. Evans asked if there were plans to have up-to-date project information available on LTD's website, including West Eugene or Gateway EmX. He gave LCOG as an example. Mr. Parrott said that the District was not in a position to build that type of informational program. The IT department does not have the staff nor the resources to put a project of that type together quickly; however, the project could be added to the list of future projects.

Mr. Schwetz added that it took three years for LCOG to program its system to make available information of this type. Through partnering with LCOG, this process is possible. Mr. Schwetz gave the KeepUsMoving program through Commuter Solutions as an example. Mr. Parrott emphasized that a project of this size has to be decided as a strategic change in direction, in terms of staffing and resources.

Mr. Pangborn added that Marketing and Graphics are continually upgrading and expanding LTD's website to accommodate more information.

**COMMUNITY COMMUNICATION AND SUPPORT** – Mr. Pangborn advised that Mr. Eyster and LTD staff would be meeting with *The Register-Guard* editorial board to give a brief summation of the decisions that the Board has made today and the implications for LTD's budget for the next year and into the future. Staff also have arranged meetings with area chambers of commerce to discuss these issues. Beginning next week, staff brown bag luncheon meetings are planned to discuss budget issues.

Mr. Vobora added that *The Register-Guard* will be doing an article regarding the legislative process as related to West Eugene EmX. In addition, staff are working with Ulum and Funk staff in an attempt to generate a community advocacy base, and trying to come up with methods to connect people into the long- and short-term processes. Mr. Pangborn mentioned that staff had met with *The Eugene Weekly* as well; however, that article has not yet been printed.

**MPC DISCUSSION** – Mr. Schwetz asked if anyone had any questions concerning the MPC information included in the packet.

Mr. Pangborn asked when the WEC report would come out. Mr. Schwetz answered that the group would be taking another month to finalize the report.

**BOARD E-MAIL** – Mr. Pangborn introduced this additional agenda item. An issue came to light recently concerning communication between Board members and staff. Any such communication, unless protected by law, is subject to public disclosure. Currently LTD has e-mail accounts set up for each Board member. The concern is that District e-mail sent to a Board member's personal e-mail accounts could subject the Board member's computer and information stored within to inspection.

Mr. Parrott explained that currently all Board members have e-mail accounts on LTD's network and that e-mail is forwarded to Board members' private accounts. What staff would do is create a mechanism for the Board member to log into LTD's network through the member's own computer. The process shouldn't take an inconvenient amount of time. While the Board member is on LTD's network, none of the information that the member is working on or has access to is ever transferred to the Board member's own personal computer. This provides a clean barrier and protection for Board members' personal computers.

In response to a question from Mr. Kortge, Mr. Parrott clarified that the system could be set up to send the Board member a notification when e-mail is received.

Mr. Parrott continued with the second option, which involves the Board member creating an e-mailbox under the member's own personal account. This account would be specifically dedicated to LTD e-mail and would need to be certified as such. Nevertheless, since the e-mailbox would not be separate from the e-mail system on the member's personal computer, the PC could be exposed to discovery.

Mr. Parrott explained the third option, which involves printing out e-mails and faxing, mailing, or delivering them in person to the Board member. There is no connection with a network at all; however, there is a cost of time involved.

Staff recommend Option 1.

Mr. Dubick offered his own experience with school district e-mail that was set up similarly to Option 1 and worked well.

In response to a question from Mr. Kortge, Mr. Parrott said that given the positive response from the Board, IT staff would begin work on the project the next week. An e-mail Board group will be created and instruction sheets will be drawn up for Board members' reference.

**OTHER BUSINESS** - The group wished Mr. Viggiano a happy 55<sup>th</sup> birthday and sang the birthday song.

Ms. Hellekson mentioned that the Budget Committee would soon be short one member from the community. Mr. Necker would be selecting a representative from the community to be considered for membership on the Committee. Ms. Hellekson informed Mr. Necker that his



nominee did not need to reside within his sub-district. An orientation for the new Committee member is planned for April.

**ADJOURNMENT** – There was no further discussion, and the meeting was adjourned at 1:43 p.m.

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Board Secretary

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MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING  
BY CONFERENCE CALL

Tuesday, December 9, 2008

Pursuant to notice given to *The Register-Guard* for publication on December 7, 2008, 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 Tuesday, December 9, 2008, beginning at 11:30 a.m., in the LTD Conference Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Mike Eyster, President, presiding  
Greg Evans, Vice President  
Dean Kortge, Secretary  
Ed Necker, Treasurer  
Michael Dubick  
Gerry Gaydos  
Doris Towery  
Stefano Viggiano, Assistant General Manager  
Jeanne Schapper, Clerk of the Board, Minutes Recorder

**CALL TO ORDER/ROLL CALL** – Mr. Eyster called the meeting to order at 11:31 a.m. and called roll. Mr. Eyster was present in the LTD conference room. Mr. Evans, Mr. Dubick, Mr. Gaydos, Mr. Kortge, Mr. Necker and Ms. Towery were present by telephone conference call.

**MOTION AUTHORIZE PROJECT CONSTRUCTION GRANT AGREEMENT** – Mr. Dubick moved approval of LTD Resolution No. 2008-041: “a resolution authorizing the District to execute a Project Construction Grant Agreement with the Federal Transit Administration.” Mr. Gaydos seconded the motion.

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

**ADJOURNMENT** – There was no further business, and the meeting was adjourned at 11:33 a.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, December 17, 2008

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, December 17, 2008, at 5:30 p.m., was canceled due to inclement weather.

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Board Secretary