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LANE TRANSIT DISTRICT REGULAR BOARD MEETING

April 21, 1999
5:30 p.m.

LTD BOARD ROOM
3500 E. 17th Avenue, Eugene
(off Glenwood Blvd.)

A G E N D A

Page No.

I. CALL TO ORDER

II. ROLL CALL

Wylie _____ Bailey _____ Bennett _____ Hocken _____

Kleger _____ Kortge _____ Lauritsen _____

III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

The following agenda item will begin at 5:30 p.m.

IV. WORK SESSION—PREPARATION FOR MAY 1 JOINT WORK SESSION
WITH SPRINGFIELD CITY COUNCIL 05

The following agenda items will begin at 6:30 p.m.

V. EMPLOYEE OF THE MONTH—May 1999 06

VI. AUDIENCE PARTICIPATION

◆ Each speaker is limited to three (3) minutes.

VII. ITEMS FOR ACTION AT THIS MEETING

A.	Consent Calendar	07
1.	Minutes of the March 15, 1999, Special Board Meeting	
2.	Minutes of the March 17, 1999, Regular Board Meeting	
B.	Fiscal Year 1999-2000 Pricing Plan and First Reading of Amended Fare Ordinance	31
1.	Public Hearing on Fiscal Year 1999-2000 Pricing Plan	
a.	Staff Presentation	
b.	Opening of Public Hearing by Board President	
c.	Public Testimony	
d.	Each speaker is limited to three (3) minutes.	
e.	Closing of Public Hearing	
f.	Board Discussion	
2.	First Reading, Eighth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services	
C.	Route #26C Revision	40
D.	Bus Rapid Transit Pilot Corridor Goals and Performance Objectives	42
E.	Administrative Employee Benefit and Retirement Changes	46
F.	General Manager Succession Plan	50
G.	Endorsement of Springfield TGM Grant Application	57

VIII. ITEMS FOR INFORMATION AT THIS MEETING

A.	Current Activities	
1.	Board Member Reports	59
a.	Metropolitan Policy Committee	
b.	Statewide Livability Forum	
c.	BRT Steering Committee / Public Design Workshops / Walkabout Input	

d.	Springfield Station Steering Committee	
e.	North End Scoping Group	
f.	Meeting with Eugene City Council	
2.	Monthly Financial Report—March Financial Statements	61
3.	Legislative Update	71
4.	Comprehensive Service Redesign	74
5.	Yield Law Implementation Update	76
6.	Bus Rapid Transit Update	78
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9.	Eugene Station Anniversary Update	93
10.	Executive Training—Pacific Program & APTA Board Training	106
B.	Monthly Staff Report	108
IX.	ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING	113
A.	Budget Committee Meetings	
B.	FY 1999-2000 Fare Ordinance	
C.	Meetings with Springfield City Council	
D.	Origin & Destination Study Results	
E.	Special Service Policy Update	
F.	Springfield Station Finalist Sites	
G.	Adoption of Fiscal Year 1999-2000 Budget	
H.	TransPlan Work Session and Draft Plan Approval	
I.	Review of Bus Designs	
J.	Follow-up Work Sessions	
K.	Medical Reimbursement Account	

- L. Board Review of Tobacco Use at District Facilities
- M. BRT Updates
- N. Quarterly Performance Reporting/Year-end Performance Report
- X. ADJOURNMENT

Alternative formats of printed material (Braille, cassette tapes, or large print) are available upon request. A sign language interpreter will be make available with 48 hours' notice. The facility used for this meeting is wheelchair accessible. For more information, please call 682-6100 (voice) or 1-800-735-2900 (TTY, through Oregon Relay, for persons with hearing impairments).

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LONG RANGE FINANCIAL PLAN
Assumption Worksheet

						Projections				
	94/95 ACTUAL	95/96 ACTUAL	96/97 BUDGET	96/97 ACTUAL	97/98 BUDGET	98/99	99/00	00/01	01/02	02/03
BEGINNING FUND BALANCE	3,731,682	4,690,497	6,070,050	5,179,028	5,631,007	5,788,220	5,590,391	0	0	0
REVENUE										
Operating Revenue:										
Regular Fares	2,156,550	2,449,018	2,669,830	2,702,169	2,913,300	3,137,316	+5%	+5%	+5%	+10%
Group Passes	<u>565,451</u>	<u>589,419</u>	<u>602,510</u>	<u>647,347</u>	<u>832,400</u>	<u>744,000</u>	<u>+3.5%</u>	<u>+3.5%</u>	+5%	+5%
Total Fares	2,722,001	3,038,437	3,272,340	3,349,516	3,745,700	3,881,316	0	0	0	0
Special Services	59,908	64,600	70,000	59,086	105,000	121,000	70,000	70,000	70,000	70,000
Advertising	164,912	271,998	315,510	330,517	351,230	370,000	+5%	+5%	+5%	+5%
Misc. Operating	83,827	122,215	42,250	98,380	44,400	77,150	85,000	85,000	85,000	85,000
Total Operating	3,030,648	3,497,250	3,700,100	3,837,499	4,246,330	4,449,466				
Payroll Tax	10,769,903	11,709,671	12,672,110	12,938,315	13,690,740	14,500,000	+3%	+3%	+3%	+3%
SET	0	695,104	799,400	893,555	803,370	820,000	+2%	+2%	+2%	+2%
State-in-Lieu	<u>816,598</u>	<u>853,045</u>	<u>867,580</u>	<u>933,359</u>	<u>885,000</u>	<u>902,700</u>	+2%	+2%	+2%	+2%
Total Taxes	11,586,501	13,257,820	14,339,090	14,765,229	15,379,110	16,222,700	0	0	0	0
OTI/ST Support	0	0	0	0	0	0	0	800,000	+1%	+1%
FTA Operating Grant	897,248	0	0	0	0	0	0	0	0	0
TDM & Parts Grant	<u>141,017</u>	<u>143,905</u>	<u>186,000</u>	<u>52,405</u>	<u>190,000</u>	<u>237,300</u>	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>
Total Grants	1,038,265	143,905	186,000	52,405	190,000	237,300	190,000	990,000	190,000	190,000
Interest Income	446,122	647,778	722,000	751,183	815,000	850,000	875,000	875,000	875,000	875,000
Disposal of Assets	293,153	0	0	0	0	0	0	0	0	0
TOTAL GF REVENUE	16,394,689	17,546,753	18,947,190	19,406,316	20,630,440	21,759,466				

Projections

	94/95 ACTUAL	95/96 ACTUAL	96/97 BUDGET	96/97 ACTUAL	97/98 BUDGET	98/99	99/00	00/01	01/02	02/03
EXPENSE										
Personal Services	10,018,640	10,811,445	11,717,700	11,460,199	12,979,873	14,173,053	+6%	+5%	+5%	+5%
Materials & Services	2,846,866	2,888,704	3,328,980	3,271,116	3,791,354	3,870,342	+3.5%	+3.5%	+3.5%	+3.5%
Risk/Insurance	624,781	645,912	621,360	639,638	707,000	671,400	700,000	700,000	700,000	700,000
Transfer to ST Fund	390,438	881,996	602,000	572,036	665,000	742,500	750,000	750,000	750,000	750,000
Transfer to Capital-General	1,555,149	2,915,121	2,958,980	2,958,980	1,526,630	1,680,000	2,500,000	2,500,000	2,500,000	2,500,000
SET transfer to BRT	0	0	0	0	803,370	820,000				
TOTAL GF EXPENSE	15,435,874	18,143,178	19,229,020	18,901,969	20,473,227	21,957,295				
ENDING BALANCE	4,690,497	4,094,072	5,788,220	5,683,375	5,788,220	5,590,391				
		22.6%	30.1%	30.1%	28.3%	25.5%				

NGE FINANCIAL PLAN
Impment Worksheet

	13/14	14/15	15/16	16/17	17/18
BEGINNING FUND BALANCE	0	0	0	0	0
REVENUE					
Operating Revenue:					
Regular Fares	+3%	+3%	+3%	+3%	+3%
Group Passes	+5%	+5%	+5%	+5%	+5%
Total Fares	0	0	0	0	0
Special Services	70,000	70,000	70,000	70,000	70,000
Advertising	+5%	+5%	+5%	+5%	+5%
Misc. Operating	85,000	85,000	85,000	85,000	85,000
Total Operating					
Payroll Tax	+3%	+3%	+3%	+3%	+3%
SET	+2%	+2%	+2%	+2%	+2%
State-in-Lieu	+2%	+2%	+2%	+2%	+2%
Total Taxes	0	0	0	0	0
OTI/ST Support	+1%	+1%	+1%	+1%	+1%
FTA Operating Grant	0	0	0	0	0
TDM & Parts Grant	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>
Total Grants	190,000	190,000	190,000	190,000	190,000
Interest Income	875,000	875,000	875,000	875,000	875,000
Disposal of Assets	0	0	0	0	0
TOTAL GF REVENUE					

	13/14	14/15	15/16	16/17	17/18
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EXPENSE

Personal Services	+5%	+5%	+5%	+5%	+5%
Materials & Services	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%
Risk/Insurance	700,000	700,000	700,000	700,000	700,000
Transfer to ST Fund	750,000	750,000	750,000	750,000	750,000
Transfer to Capital-General	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
SET transfer to BRT					

TOTAL GF EXPENSE

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ENDING BALANCE

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LONG-RANGE FINANCIAL PLAN - OPERATING FUND

	Projections													
	96/97 ACTUAL	97/98 ACTUAL	98/99 BUDGET	98/99 ESTIMATE	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09
BEGINNING FUND BALANCE	5,179,028	5,655,244	6,437,567	7,239,090	7,467,893	6,000,000	5,321,432	4,485,083	3,458,377	2,062,615	427,917	-1,466,852	-3,644,143	-6,127,806
REVENUE														
Operating Revenue:														
Regular Fares	2,702,169	2,894,876	3,137,320	3,160,000	3,231,435	3,393,007	3,562,657	3,740,790	3,927,829	4,124,221	4,330,432	4,546,954	4,774,301	5,013,016
Group Passes	<u>647,347</u>	<u>706,824</u>	<u>744,000</u>	<u>744,000</u>	<u>766,320</u>	<u>789,310</u>	<u>828,775</u>	<u>870,214</u>	<u>913,725</u>	<u>959,411</u>	<u>1,007,381</u>	<u>1,057,750</u>	<u>1,110,638</u>	<u>1,166,170</u>
Total Fares	3,349,516	3,601,700	3,881,320	3,904,000	3,997,755	4,182,316	4,391,432	4,611,004	4,841,554	5,083,632	5,337,813	5,604,704	5,884,939	6,179,186
Special Services														
Advertising	59,086	177,718	121,000	130,000	124,630	130,000	130,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Misc. Operating	330,517	347,934	370,000	352,000	348,000	350,000	367,500	385,875	405,169	425,427	446,699	469,033	492,485	517,109
Total Operating	3,837,499	4,385,557	4,449,470	4,506,000	4,549,850	4,747,316	4,973,932	5,221,879	5,471,723	5,734,059	6,009,512	6,298,737	6,602,424	6,921,295
Payroll Tax	12,938,315	14,187,312	14,500,000	14,940,000	15,000,000	15,450,000	15,913,500	16,390,905	16,882,632	17,389,111	17,910,784	18,448,108	19,001,551	19,571,598
SET	893,555	959,837	820,000	860,000	844,600	861,492	878,722	896,296	914,222	932,507	951,157	970,180	989,584	1,009,375
State-in-Lieu	<u>933,359</u>	<u>929,646</u>	<u>902,700</u>	<u>902,700</u>	<u>929,781</u>	<u>948,377</u>	<u>967,344</u>	<u>986,691</u>	<u>1,006,425</u>	<u>1,026,553</u>	<u>1,047,084</u>	<u>1,068,026</u>	<u>1,089,387</u>	<u>1,111,174</u>
Total Taxes	14,765,229	16,076,795	16,222,700	16,702,700	16,774,381	17,259,869	17,759,566	18,273,892	18,803,279	19,348,171	19,909,026	20,486,314	21,080,521	21,692,147
State Support-Spec Trans	0	0	0	0	0	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129	1,432,863	1,475,849	1,520,124
FTA Operating Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TDM & Parts Grant	<u>52,405</u>	<u>136,381</u>	<u>237,300</u>	<u>237,300</u>	<u>426,500</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Grants	52,405	136,381	237,300	237,300	426,500	1,550,000	1,586,000	1,623,080	1,511,272	1,550,611	1,591,129	1,632,863	1,675,849	1,720,124
Interest Income	751,183	862,180	850,000	850,000	850,000	850,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000
Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GF REVENUE	19,406,316	21,460,913	21,759,470	22,296,000	22,600,731	24,407,185	25,194,498	25,993,851	26,661,274	27,507,841	28,384,666	29,292,914	30,233,794	31,208,567
EXPENSE														
Personnel Services	11,460,199	13,002,532	14,359,162	14,381,241	15,489,114	16,263,570	17,076,748	17,930,586	18,827,115	19,768,471	20,756,894	21,794,739	22,884,476	24,028,700
Materials & Services	3,271,116	3,344,264	3,971,342	3,689,456	4,269,110	4,397,183	4,529,099	4,664,972	4,804,921	4,949,069	5,097,541	5,250,467	5,407,981	5,570,220
Risk/Insurance	639,638	557,271	671,400	671,400	621,400	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000
Debt Service	0	0	42,633	2,600	0	0	0	0	0	0	0	0	0	0
Transfer to ST Fund	572,036	643,000	742,500	717,500	789,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Transfer to Capital	2,958,980	2,330,000	2,605,000	2,605,000	2,900,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL GF EXPENSE	18,901,969	19,877,067	22,392,037	22,067,197	24,068,624	25,085,753	26,030,847	27,020,557	28,057,036	29,142,539	30,279,435	31,470,206	32,717,457	34,023,920
ENDING BALANCE	5,683,375	7,239,090	5,805,000	7,467,893	6,000,000	5,321,432	4,485,083	3,458,377	2,062,615	427,917	-1,466,852	-3,644,143	-6,127,806	-8,943,158
	30.1%	36.4%	25.9%	33.8%	24.9%	21.2%	17.2%	12.8%	7.4%	1.5%	-4.8%	-11.6%	-18.7%	-26.3%

LONG-RANGE FINANCIAL PLAN - OPERATING FUND (Cont'd)

	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
BEGINNING FUND BALANCE	-8,943,158	-12,117,076	-15,678,070	-19,656,387	-24,084,094	-28,995,190	-34,425,701	-40,413,800	-46,999,919	-54,226,875
REVENUE										
Operating Revenue:										
Regular Fares	5,263,667	5,526,850	5,803,193	6,093,353	6,398,020	6,717,921	7,053,817	7,406,508	7,776,834	8,165,675
Group Passes	<u>1,224,478</u>	<u>1,285,702</u>	<u>1,349,987</u>	<u>1,417,487</u>	<u>1,488,361</u>	<u>1,562,779</u>	<u>1,640,918</u>	<u>1,722,964</u>	<u>1,809,112</u>	<u>1,899,568</u>
Total Fares	6,488,145	6,812,553	7,153,180	7,510,839	7,886,381	8,280,700	8,694,735	9,129,472	9,585,946	10,065,243
Special Services	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Advertising	542,965	570,113	598,619	628,550	659,977	692,976	727,625	764,006	802,206	842,317
Misc. Operating	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Total Operating	7,256,110	7,607,666	7,976,799	8,364,389	8,771,358	9,198,676	9,647,360	10,118,478	10,613,152	11,132,560
Payroll Tax	20,158,746	20,763,508	21,386,413	22,028,006	22,688,846	23,369,511	24,070,597	24,792,714	25,536,496	26,302,591
SET	1,029,563	1,050,154	1,071,157	1,092,580	1,114,432	1,136,720	1,159,455	1,182,644	1,206,297	1,230,423
State-in-Lieu	<u>1,133,398</u>	<u>1,156,066</u>	<u>1,179,187</u>	<u>1,202,771</u>	<u>1,226,826</u>	<u>1,251,363</u>	<u>1,276,390</u>	<u>1,301,918</u>	<u>1,327,956</u>	<u>1,354,515</u>
Total Taxes	22,321,706	22,969,728	23,636,757	24,323,357	25,030,104	25,757,594	26,506,441	27,277,276	28,070,749	28,887,529
State Support-Spec Trans	1,565,728	1,612,700	1,661,081	1,710,913	1,762,240	1,815,108	1,869,561	1,925,648	1,983,417	2,042,920
FTA Operating Grant	0	0	0	0	0	0	0	0	0	0
TDM & Parts Grant	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Grants	1,765,728	1,812,700	1,861,081	1,910,913	1,962,240	2,015,108	2,069,561	2,125,648	2,183,417	2,242,920
Interest Income	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000
Disposal of Assets	0	0	0	0	0	0	0	0	0	0
TOTAL GF REVENUE	32,218,544	33,265,093	34,349,637	35,473,659	36,638,703	37,846,378	39,098,363	40,396,402	41,742,318	43,138,008
EXPENSE										
Personnel Services	25,230,135	26,491,641	27,816,223	29,207,035	30,667,386	32,200,756	33,810,793	35,501,333	37,276,400	39,140,220
Materials & Services	5,737,327	5,909,447	6,086,730	6,269,332	6,457,412	6,651,134	6,850,668	7,056,188	7,267,874	7,485,910
Risk/Insurance	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000
Debt Service	0	0	0	0	0	0	0	0	0	0
Transfer to ST Fund	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Transfer to Capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL GF EXPENSE	35,392,461	36,826,088	38,327,953	39,901,366	41,549,798	43,276,890	45,086,462	46,982,521	48,969,274	51,051,130
ENDING BALANCE	-12,117,076	-15,678,070	-19,656,387	-24,084,094	-28,995,190	-34,425,701	-40,413,800	-46,999,919	-54,226,875	-62,139,997
	-34.2%	-42.6%	-51.3%	-60.4%	-69.8%	-79.5%	-89.6%	-100.0%	-110.7%	-121.7%

LANE TRANSIT DISTRICT

LONG-RANGE CAPITAL PLAN SUMMARY

FY END	EXPENDITURES					RESOURCES		
	BUSES	BRT	PBI	OTHER	TOTAL	GRANT REVENUE	LOCAL & MATCH	TOTAL
1998	2,898,400	250,000	7,212,500	1,141,060	11,501,960	9,183,888	(2,318,072)	11,501,960
1999	4,769,670	750,000	1,459,500	2,143,780	9,122,950	6,974,600	(2,148,350)	9,122,950
2000	7,772,000	881,000	1,343,000	2,799,000	12,795,000	10,236,000	(2,559,000)	12,795,000
2001	0	3,100,000	1,700,000	716,450	5,516,450	4,413,160	(1,103,290)	5,516,450
2002	3,300,000	3,100,000	214,500	736,740	7,351,240	5,880,992	(1,470,248)	7,351,240
2003	0	3,100,000	205,000	490,060	3,795,060	3,036,048	(759,012)	3,795,060
2004	3,608,000	10,000,000	1,500,000	1,000,000	16,108,000	12,136,400	(3,971,600)	16,108,000
2005		10,000,000	500,000	600,000	11,100,000	8,550,000	(2,550,000)	11,100,000
2006		10,000,000	250,000	600,000	10,850,000	8,425,000	(2,425,000)	10,850,000
2007	4,239,000	10,000,000	2,000,000	600,000	16,839,000	12,691,200	(4,147,800)	16,839,000
2008		5,000,000	250,000	600,000	5,850,000	4,425,000	(1,425,000)	5,850,000
2009	8,856,000	5,000,000	500,000	600,000	14,956,000	11,634,800	(3,321,200)	14,956,000
2010		5,000,000	2,000,000	600,000	7,600,000	5,300,000	(2,300,000)	7,600,000
2011	3,900,000	5,000,000	250,000	600,000	9,750,000	7,545,000	(2,205,000)	9,750,000
2012		5,000,000	500,000	600,000	6,100,000	4,550,000	(1,550,000)	6,100,000
2013	14,525,000	5,000,000	2,000,000	600,000	22,125,000	16,920,000	(5,205,000)	22,125,000
2014		5,000,000	250,000	600,000	5,850,000	4,425,000	(1,425,000)	5,850,000
2015		5,000,000	500,000	600,000	6,100,000	4,550,000	(1,550,000)	6,100,000
2016	13640000	5,000,000	2,000,000	600,000	21,240,000	16,212,000	(5,028,000)	21,240,000
2017		5,000,000	500,000	600,000	6,100,000	4,550,000	(1,550,000)	6,100,000
2018		5,000,000	500,000	600,000	6,100,000	4,550,000	(1,550,000)	6,100,000
	67,508,070	106,181,000	25,634,500	17,427,090	216,750,660	166,189,088	(50,561,572)	216,750,660

LONG-RANGE FINANCIAL PLAN - OPERATING FUND

	Projections													
	96/97 ACTUAL	97/98 ACTUAL	98/99 BUDGET	98/99 ESTIMATE	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09
BEGINNING FUND BALANCE	5,179,028	5,655,244	6,437,567	7,239,090	7,467,893	6,000,000	4,598,605	4,474,180	4,833,120	5,657,259	6,807,977	8,343,326	9,657,139	10,887,471
REVENUE														
Operating Revenue:														
Regular Fares	2,702,169	2,894,876	3,137,320	3,160,000	3,231,435	3,393,007	3,562,657	3,740,790	3,927,829	4,124,221	4,330,432	4,546,954	4,774,301	5,013,016
Group Passes	<u>647,347</u>	<u>706,824</u>	<u>744,000</u>	<u>744,000</u>	<u>766,320</u>	<u>789,310</u>	<u>828,775</u>	<u>870,214</u>	<u>913,725</u>	<u>959,411</u>	<u>1,007,381</u>	<u>1,057,750</u>	<u>1,110,638</u>	<u>1,166,170</u>
Total Fares	3,349,516	3,601,700	3,881,320	3,904,000	3,997,755	4,182,316	4,391,432	4,611,004	4,841,554	5,083,632	5,337,813	5,604,704	5,884,939	6,179,186
Special Services	59,086	177,718	121,000	130,000	124,630	130,000	130,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Advertising	330,517	347,934	370,000	352,000	348,000	350,000	367,500	385,875	405,169	425,427	446,699	469,033	492,485	517,109
Misc. Operating	98,380	258,205	77,150	120,000	79,465	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Total Operating	3,837,499	4,385,557	4,449,470	4,506,000	4,549,850	4,747,316	4,973,932	5,221,879	5,471,723	5,734,059	6,009,512	6,298,737	6,602,424	6,921,295
Payroll Tax	12,938,315	14,187,312	14,500,000	14,940,000	15,000,000	15,450,000	15,913,500	16,390,905	16,882,632	17,389,111	17,910,784	18,448,108	19,001,551	19,571,598
SET	893,555	959,837	820,000	860,000	844,600	861,492	878,722	896,296	914,222	932,507	951,157	970,180	989,584	1,009,375
State-in-Lieu	<u>933,359</u>	<u>929,646</u>	<u>902,700</u>	<u>902,700</u>	<u>929,781</u>	<u>948,377</u>	<u>967,344</u>	<u>986,691</u>	<u>1,006,425</u>	<u>1,026,553</u>	<u>1,047,084</u>	<u>1,068,026</u>	<u>1,089,387</u>	<u>1,111,174</u>
Total Taxes	14,765,229	16,076,795	16,222,700	16,702,700	16,774,381	17,259,869	17,759,566	18,273,892	18,803,279	19,348,171	19,909,026	20,486,314	21,080,521	21,692,147
State Support-Spec Trans	0	0	0	0	0	0	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129	1,432,863	1,475,849
FTA Operating Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TDM & Parts Grant	<u>52,405</u>	<u>136,381</u>	<u>237,300</u>	<u>237,300</u>	<u>426,500</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>300,000</u>	<u>300,000</u>
Total Grants	52,405	136,381	237,300	237,300	426,500	350,000	1,550,000	1,586,000	1,523,080	1,561,272	1,600,611	1,641,129	1,732,863	1,775,849
Interest Income	751,183	862,180	850,000	850,000	850,000	862,500	661,050	643,163	694,761	813,231	978,647	875,000	875,000	875,000
Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GF REVENUE	19,406,316	21,460,913	21,759,470	22,296,000	22,600,731	23,219,685	24,944,548	25,724,934	26,492,843	27,456,733	28,497,795	29,301,180	30,290,808	31,264,291
EXPENSE														
Personnel Services	11,460,199	13,002,532	14,359,162	14,381,241	15,489,114	15,798,896	16,114,874	16,276,023	16,438,783	16,931,947	17,439,905	18,311,900	19,227,495	20,188,870
Materials & Services	3,271,116	3,344,264	3,971,342	3,689,456	4,269,110	4,397,183	4,529,099	4,664,972	4,804,921	4,949,069	5,097,541	5,250,467	5,407,981	5,570,220
Risk/Insurance	639,638	557,271	671,400	671,400	621,400	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000
Debt Service	0	0	42,633	2,600	0	0	0	0	0	0	0	0	0	0
Transfer to ST Fund	572,036	643,000	742,500	717,500	789,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Transfer to Capital	2,958,980	2,330,000	2,605,000	2,605,000	2,900,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL GF EXPENSE	18,901,969	19,877,067	22,392,037	22,067,197	24,068,624	24,621,080	25,068,973	25,365,995	25,668,704	26,306,015	26,962,446	27,987,367	29,060,476	30,184,090
ENDING BALANCE	5,683,375	7,239,090	5,805,000	7,467,893	6,000,000	4,598,605	4,474,180	4,833,120	5,657,259	6,807,977	8,343,326	9,657,139	10,887,471	11,967,672
	30.1%	36.4%	25.9%	33.8%	24.9%	18.7%	17.8%	19.1%	22.0%	25.9%	30.9%	34.5%	37.5%	39.6%

LONG-RANGE FINANCIAL PLAN - OPERATING FUND (Cont'd)

	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
BEGINNING FUND BALANCE	11,967,672	12,879,972	13,605,418	14,123,803	14,413,600	14,451,880	14,214,241	13,674,714	12,805,685	11,577,796
REVENUE										
Operating Revenue:										
Regular Fares	5,263,667	5,526,850	5,803,193	6,093,353	6,398,020	6,717,921	7,053,817	7,406,508	7,776,834	8,165,675
Group Passes	<u>1,224,478</u>	<u>1,285,702</u>	<u>1,349,987</u>	<u>1,417,487</u>	<u>1,488,361</u>	<u>1,562,779</u>	<u>1,640,918</u>	<u>1,722,964</u>	<u>1,809,112</u>	<u>1,899,568</u>
Total Fares	6,488,145	6,812,553	7,153,180	7,510,839	7,886,381	8,280,700	8,694,735	9,129,472	9,585,946	10,065,243
Special Services	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Advertising	542,965	570,113	598,619	628,550	659,977	692,976	727,625	764,006	802,206	842,317
Misc. Operating	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Total Operating	7,256,110	7,607,666	7,976,799	8,364,389	8,771,358	9,198,676	9,647,360	10,118,478	10,613,152	11,132,560
Payroll Tax	20,158,746	20,763,508	21,386,413	22,028,006	22,688,846	23,369,511	24,070,597	24,792,714	25,536,496	26,302,591
SET	1,029,563	1,050,154	1,071,157	1,092,580	1,114,432	1,136,720	1,159,455	1,182,644	1,206,297	1,230,423
State-in-Lieu	<u>1,133,398</u>	<u>1,156,066</u>	<u>1,179,187</u>	<u>1,202,771</u>	<u>1,226,826</u>	<u>1,251,363</u>	<u>1,276,390</u>	<u>1,301,918</u>	<u>1,327,956</u>	<u>1,354,515</u>
Total Taxes	22,321,706	22,969,728	23,636,757	24,323,357	25,030,104	25,757,594	26,506,441	27,277,276	28,070,749	28,887,529
State Support-Spec Trans	1,520,124	1,565,728	1,612,700	1,661,081	1,710,913	1,762,240	1,815,108	1,869,561	1,925,648	1,983,417
FTA Operating Grant	0	0	0	0	0	0	0	0	0	0
TDM & Parts Grant	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Total Grants	1,820,124	1,865,728	1,912,700	1,961,081	2,010,913	2,062,240	2,115,108	2,169,561	2,225,648	2,283,417
Interest Income	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000
Disposal of Assets	0	0	0	0	0	0	0	0	0	0
TOTAL GF REVENUE	32,272,941	33,318,121	34,401,256	35,523,826	36,687,375	37,893,511	39,143,909	40,440,315	41,784,549	43,178,506
EXPENSE										
Personnel Services	21,198,314	22,258,229	23,371,141	24,539,698	25,766,683	27,055,017	28,407,768	29,828,156	31,319,564	32,885,542
Materials & Services	5,737,327	5,909,447	6,086,730	6,269,332	6,457,412	6,651,134	6,850,668	7,056,188	7,267,874	7,485,910
Risk/Insurance	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000
Debt Service	0	0	0	0	0	0	0	0	0	0
Transfer to ST Fund	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Transfer to Capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL GF EXPENSE	31,360,640	32,592,676	33,882,871	35,234,030	36,649,095	38,131,151	39,683,436	41,309,344	43,012,438	44,796,452
ENDING BALANCE	12,879,972	13,605,418	14,123,803	14,413,600	14,451,880	14,214,241	13,674,714	12,805,685	11,577,796	9,959,849
	41.1%	41.7%	41.7%	40.9%	39.4%	37.3%	34.5%	31.0%	26.9%	22.2%

LANE TRANSIT DISTRICT

LONG-RANGE CAPITAL PLAN SUMMARY

FY END	EXPENDITURES					RESOURCES		
	BUSES	BRT	PBI	OTHER	TOTAL	GRANT REVENUE	LOCAL & MATCH	TOTAL
1999	4,769,670	750,000	1,504,500	2,371,480	9,395,650	6,875,000	(2,520,650)	9,395,650
2000		5,500,000	2,930,000	1,318,310	9,748,310	8,125,312	(1,622,998)	9,748,310
2001	7,500,000	8,000,000	1,700,000	3,722,093	20,922,093	16,737,674	(4,184,419)	20,922,093
2002	2,600,000	1,250,000	1,884,500	357,498	6,091,998	4,873,598	(1,218,400)	6,091,998
2003		1,200,000	280,000	294,044	1,774,044	1,419,235	(354,809)	1,774,044
2004	4,000,000	3,100,000	34,500	565,966	7,700,466	5,980,233	(1,720,233)	7,700,466
2005		25,000,000	500,000	600,000	26,100,000	20,550,000	(5,550,000)	26,100,000
2006		10,000,000	250,000	600,000	10,850,000	8,425,000	(2,425,000)	10,850,000
2007	4,239,000	10,000,000	2,000,000	600,000	16,839,000	12,691,200	(4,147,800)	16,839,000
2008		10,000,000	250,000	600,000	10,850,000	8,425,000	(2,425,000)	10,850,000
2009	8,856,000	15,000,000	500,000	600,000	24,956,000	19,634,800	(5,321,200)	24,956,000
2010		10,000,000	2,000,000	600,000	12,600,000	9,300,000	(3,300,000)	12,600,000
2011	3,900,000	10,000,000	250,000	600,000	14,750,000	11,545,000	(3,205,000)	14,750,000
2012		10,000,000	500,000	600,000	11,100,000	8,550,000	(2,550,000)	11,100,000
2013	14,525,000	10,000,000	2,000,000	600,000	27,125,000	20,920,000	(6,205,000)	27,125,000
2014		20,000,000	250,000	600,000	20,850,000	16,425,000	(4,425,000)	20,850,000
2015		10,000,000	500,000	600,000	11,100,000	8,550,000	(2,550,000)	11,100,000
2016	13,640,000	10,000,000	2,000,000	600,000	26,240,000	20,212,000	(6,028,000)	26,240,000
2017		10,000,000	500,000	600,000	11,100,000	8,550,000	(2,550,000)	11,100,000
2018		10,000,000	500,000	600,000	11,100,000	8,550,000	(2,550,000)	11,100,000
2019		20,000,000	500,000	600,000	21,100,000	16,550,000	(4,550,000)	21,100,000
	64,029,670	209,800,000	20,833,500	17,629,391	312,292,561	242,889,053	(69,403,508)	312,292,561



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**Lane Transit District
LONG-RANGE FINANCIAL PLAN
Assumptions**

April 1999

GENERAL ASSUMPTIONS:

▪ **Local Economy**

All available indicators suggest that the local economy's growth will slow. The effect of slowed growth over the next five to ten years will be modest increases in payroll tax and self-employment tax revenues that correspond to general inflation. The 8 percent to 10 percent increases of recent years will decrease to three-percent annual growth.

▪ **State Employment**

State payrolls will experience very slight growth, which has been the trend during the last few years. The result will be the continuation of slight increases annually in state-in-lieu payment receipts.

▪ **State Funding Climate**

There are no state funds currently earmarked for transit in the proposed ODOT budget (other than for transportation demand management) or in any proposed new legislation. While discussion continues in the current legislative session about additional investment in transit services for the elderly and disabled, no proposals have emerged. It is possible that there will be no general transit package in the new biennium.

▪ **Federal Funding Climate**

Although efforts to obtain grant funds for bus rapid transit (BRT) have been very successful to date, discretionary grant funding for other projects and bus purchases has been increasingly difficult to obtain. However, early attempts to market LTD's United Front proposal for the purchase of 30 new buses have led to the conclusion that there may be discretionary grant funding for LTD's request in the next round of appropriations. (The final result of the current United Front request will not be known until late summer or early fall.)

STRATEGIC ASSUMPTIONS:

- The mission, visions, and strategic actions identified in the LTD Strategic Plan will remain essentially the same for the foreseeable future.
- Bus rapid transit will remain a high-priority, high-profile project as an important component of future public transportation services in the community.
- Opportunities to add higher-technology features to both bus services and administrative functions will be actively pursued if the technology improves cost effectiveness, removes barriers to system use, improves system productivity, or otherwise provides an identifiable and quantifiable benefit.
- No change in the payroll tax rate has been assumed for the plan period.
- No significant changes in the service boundaries are anticipated.

REVENUE SUMMARY:

- Future discretionary grant funding in support of capital projects and bus purchases is assumed to continue until each grant application has completed the proposal process. In other words, it is assumed that projects will be grant-funded until it is a certainty that funds are not available. Assuming future grant funding that has yet to be approved in no way relieves LTD of the responsibility for considering and pursuing other project funding sources. It also will continue to be important to maintain and build substantial local reserves to match future grant awards that may be large, and to provide for the possibility of more local funding of capital projects should federal resources be inadequate.
- Until the completion of the BRT pilot corridor, revenue from fares will increase annually by the change in service (if positive) and the change in local population.
- Tax receipts will increase annually by no more than the rate of local inflation. The state economy will continue to be monitored closely for signs of change, both positive and negative, that could result in either a period of reduced receipts or a period of strong revenue growth.
- No state support of transit is assumed for the next biennium. In subsequent years, state funds are assumed beginning at a level of \$1.2 million in FY 2001-02.

EXPENSE SUMMARY:

- Personnel services expenditures will grow by the rate of inflation adjusted for whatever market conditions prevail, and by additional staffing for high-priority projects as necessary. The administrative salary schedule will be reviewed annually. Fringe benefit costs are assumed to hold to a fixed percentage of total salary expense. However, *when expenditure controls are required to maintain appropriate operating reserves, personnel services expenditure growth will be curtailed.*
- Materials and services costs will increase by the rate of annual inflation. For modeling purposes, this rate is assumed to be 3 percent after FY 1999-2000.
- Risk/insurance expenses are projected to hold at the current annual rate as the result of continued emphasis on the control of risk, improved safety, and an optimal balance of self-insurance and purchased coverage.
- Transfers to the Capital Fund will continue in amounts needed to make local match payments on federally-funded projects, and to build and maintain reserves required for future match amounts.
- As a result of future state legislative action supporting funding for transit services to the elderly and disabled, required support from the Operating Fund to the Special Transportation Fund will level off after FY 2000-2001.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: LONG-RANGE FINANCIAL PLAN

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: Approval of the Long-Range Financial Plan

BACKGROUND: The Long-Range Financial Plan (LRFP) covers a rolling twenty-year period, with emphasis on the first five years. The LRFP generally is driven by the Capital Improvements Program (CIP), which, in turn has been determined by Lane Transit District's long-term goals, preservation of assets, and fleet requirements. LTD's Strategic Plan specifies District goals.

The proposed LRFP is summarized in the attached materials. The plan begins with a twenty-year view of the major projects on the LTD agenda, including: Bus Rapid Transit (BRT); fleet expansion/replacement; passenger boarding improvements (including stations and Park & Ride facilities); and the routine replacement/expansion/upgrade of facility components, tools, and ADP hardware and software. The first five years of the capital component of this plan comes directly from the CIP. In the remaining years, it is assumed that the investment in system improvements will continue, including BRT, Park & Ride facilities, and new technology for fare collection and other applications.

The twenty-year operating plan begins with the proposed budget for FY 1999-00, and includes the Capital Fund transfers required to provide local match for grant funding under the assumptions used to estimate capital requirements and resources. This year's update of the LRFP highlights a source of financial concern for future years beginning in FY 2002-03. After a record-breaking run of prosperity that yielded strong economic growth, the national, state and local economies have begun to level off. All economic indicators suggest slower growth over the next three to five years. The effect of this slowed general economic growth will be slower growth of payroll tax receipts, which are LTD's principal source of operating subsidy.

Payroll tax revenue increased by nearly 11 percent in FY 1996-97 and by approximately 9 percent in FY 1997-98. In the current fiscal year, that increase is expected to be about 5 percent. LTD's largest operating expense, personnel services, grew by approximately 10 percent in each of the most recent fiscal years. As long as the trends for both payroll taxes and personnel expenses remain parallel, or payroll tax receipts substantially exceeded personnel expenses and provided a margin to make up the growth rate difference, Operating Fund revenue would continue to be adequate to cover planned expenses. However, as the increasing

personnel expenses approach the total amount of tax receipts expected, and the rate of growth for payroll taxes drops below the anticipated rate of growth for personnel expenses (which is expected to occur in the next three- to five-year period), it will be necessary to close a funding gap. Management efforts can include the identification of additional Operating Fund resources, limit of the growth of personnel expenses, or a combination of the two. As will be discussed during the Board presentation, the LRFP assumes that the growth of operating expenses, particularly personnel, will be reduced in future years.

A summary of the assumptions used in drafting the LRFP is included with the attachments.

ATTACHMENTS:

Long-Range Financial Plan Budget Assumptions
Long-Range Capital Plan Summary
Long-Range Financial Plan – Operating Fund

PROPOSED MOTION:

I move that the Board approve the following resolution: It is hereby resolved that the proposed Long-Range Financial Plan for fiscal years 1999-00 through 2018-19 is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: ROUTE #26C REVISION

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: Approval of recommendation to cut four trips of the 26C Willamette Route.

BACKGROUND: At the February and March 1999 Board meetings, the Board reviewed and approved service changes for Fiscal Year 1999-2000. In their ongoing review of service, the planners have identified another route, the 26C Willamette, with substandard service. This route primarily serves high school students. The midday trips on this route have low ridership, and staff recommend that those trips be eliminated. LTD would continue to provide the two trips to South Eugene High School that exceed productivity standards.

Report on 26C Willamette Route (Brae Burn Loop)

<i>Time</i>	<i>Number of Riders</i>
<i>7:20 a.m.</i>	<i>17-20 (all students)</i>
<i>8:19 a.m.</i>	<i>2-3 students</i>
<i>3:25 p.m.</i>	<i>20-25 students</i>
<i>3:50 p.m.</i>	<i>2 regular riders</i>
<i>4:50 p.m.</i>	<i>2-3 regular riders</i>
<i>5:20 p.m.</i>	<i>5 riders/irregular usage</i>

An analysis of the service hours shows that 707 hours (.23 percent) will be saved as a result of this change.

Route 26C will be eliminated and the school trips will be shown as special school service along with trips to North Eugene and Churchill High Schools. The trunk portion of the route is well covered by other service, so it is the riders on the loop portion who will be most affected by this change.

Information was posted on all stops along the loop portion of this route and flyers were distributed to riders, informing them of this proposal. An invitation to comment was extended.

ATTACHMENT: None

PROPOSED MOTION: I move the following resolution: It is hereby resolved that the LTD Board of Directors approves the staff recommendation to eliminate four trips of route 26C Willamette effective with the fall bid in 1999.

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AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: MARCH FINANCIAL STATEMENTS

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: Financial results for the first nine months of the current fiscal year are summarized in the attached reports. Overall year-to-date performance is satisfactory at this time.

Passenger fare revenue is 4.7 percent ahead of the same nine-month period for last year, and on budget for the year-to-date. All sources of earned income show positive results through March, with the exception of advertising receipts. As previously reported to the Board, this revenue source should show a negative variance of approximately \$20,000 by the end of the year.

Payroll tax revenues continue to be ahead of budget for the year-to-date. All other major non-operating revenues are as anticipated, with the exception of interest earnings, which continue to reflect the slightly lower rates currently in effect. As previously reported, operating grant revenue appears to be low, but is a function of operating grant expenses and, therefore, does not have a material impact on the net General Fund position. (Grant funds are drawn down as expenses are incurred.)

Year-to-date expenses are generally as anticipated by the current-year budget. Both administrative and contract employee wages are on budget for the first nine months of the current fiscal year. Materials and services expenses are below budget plan year-to-date due to some of the planned expenditures occurring in the fourth fiscal quarter. Additional information about the General Fund appears in the comment page that is now part of the standard monthly report.

Transactions in the Capital Fund are well within the annual budget plan. It should be noted that there is still one Federal Transit Administration grant contract that is pending FTA approval for programs in which expenditures

already have been made. Approximately \$700,000 in year-to-date expenses are eligible for grant reimbursement. It has been LTD's policy to not accrue grant revenue until a contract with FTA has been executed. FTA continues to assure staff that the paperwork should be completed in the near future. Staff continue to monitor the progress of the paperwork, and will immediately process the draw down for all eligible expenses as soon as possible. The Special Transportation Fund is as anticipated for the first nine months of this fiscal year.

The citizen members of the Budget Committee met on April 6, 1999, in the conference room in the 1099 Olive Street building at the Eugene Station. The agenda included a review of the current year budget, a station tour and review of operations and services, and a discussion of Bus Rapid Transit. Six of the seven citizen members attended this meeting, and all are looking forward to FY 1999-2000 budget deliberations, which begin on April 28 at 6:30 p.m., and continue on April 29 at 6:30 p.m.

ATTACHMENTS:

Attached are the following financial reports:

1. Analysis Report - comparison to prior year
2. Monthly Financial Report Comments
3. Comparative Balance Sheets
 - a. General Fund
 - b. Special Transportation Fund
 - c. Capital Fund
4. Income Statements
 - a. General Fund
 - b. Special Transportation Fund
 - c. Capital Fund

PROPOSED MOTION:

None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Monday, March 15, 1999

Pursuant to notice given to *The Register-Guard* for publication on March 11, 1999, and distributed to persons on the mailing list of the District, a special meeting of the Board of Directors of the Lane Transit District was held on Monday, March 15, 1999, at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, President, presiding
Rob Bennett, Vice President
Pat Hocken
Dave Kleger, Treasurer
Virginia Lauritsen
Hillary Wylie, Secretary
Phyllis Loobey, General Manager
Susan Hekimoglu, Recording Secretary

Absent: Dean Kortge

CALL TO ORDER: Mr. Bailey called the meeting to order at 5:35 p.m. He stated that he had enjoyed the recent annual employee banquet, and the banquet committee was to be commended.

WORK SESSION: COMPREHENSIVE SERVICE REDESIGN (CSR) DESIGN ELEMENTS: Ms. Loobey prefaced the discussion by saying that she was not certain that LTD did a very good job of telling its story. There still was a perception in the community that LTD was running big, empty buses, even though the ridership statistics proved otherwise. It was important, particularly during the CSR process, to remember that LTD was more than just a bus company operating one type of service, but rather was four or five different bus companies that provided many different types of transportation options to the community.

Ms. Loobey further stated that all those functions were important to the community, and the community would suffer if LTD were not doing a good job. LTD was ranked high regionally and nationally in terms of effectiveness in getting people to ride the bus and in overall population coverage.

LTD's fixed-route service had two components, both of which were important to the community, and for which the Board had set an aggressive policy. The first was that LTD was 100 percent accessible so that LTD rated higher than many cities across the nation in lift boardings. The other was the enviable record around the group pass program. Ms. Loobey stated that she wished staff had taken people counts at LCC on McVay Highway prior to the implementation of the LCC group pass program and then taken those counts

again after implementation. And while those counts might show that LTD had not substantially reduced congestion, she was certain that they would show that LTD had increased the capacity of that roadway. That was a major benefit of having a transit system that was effective and efficient.

Ms. Loobey further stated that if LTD were not providing football shuttles to Autzen Stadium, the road network would be in gridlock on any of the corridors leading to Autzen Stadium. It would be similar to the experience of the Grateful Dead concert at Autzen Stadium. LTD had a plan of action, and could have made a difference if the organizers had agreed to provide shuttle service. LTD had a bus stuck on the Ferry Street Bridge for several hours because of the congestion. Unfortunately, there was not then, nor was there currently, a way to require alternative transportation plans from major event organizers. The gridlock that occurred, such as with the Grateful Dead concert, resulted in a high cost to the community.

There were groups who came to this community who would not have been here if not for LTD, such as the Worldwide Scientific Congress, the NCAA, etc. LTD worked hand-in-hand with the Convention and Visitors Bureau to attract large groups to the community.

LTD did more than just operate buses up and down the streets, and there were statistics to prove that, but that did not mean LTD could not do better. The ability to gather useful statistical data had improved tremendously, and that data would be very useful as the Board began to make choices about how the fixed-route service should operate.

Service Planning and Marketing Manager Andy Vobora discussed the Comprehensive Service Redesign (CSR), which was a process by which staff would evaluate the entire LTD system on a sector-by-sector basis and make wholesale changes to address the inefficiencies that had crept into the current system design. The CSR process had begun and would address operational issues, respond to community growth, simplify the routing system, and increase productivity, resulting in service implementation in the fall of 2000.

Mr. Vobora stated that following his presentation, Finance Manager Diane Hellekson would discuss the Fare Policy development, which related closely to the system design. He stated that staff would ask the Board for approval of the design guidelines, productivity standards, and a resource allocation plan.

Mr. Vobora stated that Board policy shaped the service design. Currently, Board policy provided for an urban route productivity level of 67 percent of system average. The Board policy also mandated that service be provided within one-quarter mile of 85 percent of the households within the service area, that the rural route productivity achieve 30 boardings per round trip in order to continue service, and that bus stop spacing be at two-block intervals. Mr. Vobora stated that he was not sure in all cases that the current service continued to meet Board policy. The Board needed to address the policies that had been set, and the CSR would result in service that met the revised Board policies.

Mr. Vobora said that LTD did provide good service. Ridership had grown steadily, and LTD was ranked very high nationally on many levels. In terms of the span of service, sometimes there were empty buses, typically because in the middle of the day, there were

routes that were more lightly used. However, those trips could not be deleted just because of the nature of the users of the system. For instance, all commuters were not working from 8:00 a.m. to 5:00 p.m.; 50 percent of the riders were students, who had classes at various times throughout the day. The service needed to be available to meet those different time frames throughout the day, or people would choose not to ride.

In addition, Mr. Vobora stated that LTD needed to provide origin and destination coverage. If service were provided just on the main corridors, where the highest productivity was, but not where people lived, people would choose not to ride the bus and would seek other modes of transportation.

Staff attempted to match service to density, and there were opportunities for refinement, which would be addressed during the CSR process. Mr. Vobora stated that currently 52.7 percent of the routes exceeded the 67 percent productivity standard, while 39.7 percent of the routes fell between the system average and the productivity standard. Only 7.6 percent of the routes fell below the productivity standard. If the productivity standard were raised to 70 percent, only those routes that were between and below the current system average would be affected.

Mr. Bennett stated that he was somewhat frustrated with the process and presentation. He was interested in the materials that were presented, but would have liked to receive the information earlier so that the Board could hold its own discussions. He did not feel that he was ready to make decisions without the Board holding a comprehensive discussion about its role, responsibility, and philosophy. Mr. Vobora responded that his presentation was nearly concluded, and he had planned to present different productivity standard scenarios. He believed his presentation, in combination with Ms. Hellekson's pricing presentation, would provide a foundation for the Board to have that conversation. He also believed that the Board could hold an ongoing discussion in conjunction with decisions that needed to be made during the CSR process.

Mr. Bailey stated that his understanding of the process was that this was a work session in which no decisions would be made by virtue of motions or adoption of policies, etc. He believed that this was another opportunity for the Board to engage in a conversation, such as Mr. Bennett described, that would occur during the next few months. Mr. Vobora agreed with Mr. Bailey, but noted that at some point staff needed to begin the CSR research, and without direction from the Board, working under the current standards, staff could not begin that research.

Ms. Lauritsen stated that staff presentations took up much of the available meeting time, and the Board did not get an opportunity to hold a comprehensive conversation, such as Mr. Bennett had mentioned.

Mr. Vobora concluded his presentation by handing out an analysis of LTD urban routes. He discussed a comparison of revenue hours between routes 11 and 12, and what factors would affect those routes if the productivity standards were changed. He also briefly reviewed the suggested design guidelines.

Mr. Bennett asked what a route system would look like that had higher productivity levels, but stated that providing examples of why one route might not work that way did not

get at what he was interested in. He was more interested in looking at the entire system as a whole. He explained that he would better understand the ramifications of a change in policy decision if he could see what the whole system might look like under different policy scenarios. He believed this had to be the framework of the Board discussion. He also was interested to know how people might react to various policy changes and how the Board would address the social aspects of service requests that were made during public hearings.

Ms. Hocken stated that she would be interested in a discussion of what the effect on coverage in terms of percentages would be if the Board were to raise the standard. She also was interested in discussing how the operating costs influenced coverage percentages. She thought that the Board policy had to balance the goals, and if the Board did not know what effect the productivity standards had on coverage standard, they would not be able to discuss any changes to the policy.

Ms. Wylie asked if it was Mr. Bennett's intent to raise the minimum standard for route productivity. Mr. Bennett replied that he did not know if that would be the outcome. He stated that he did not know where LTD operations stood in terms of the benchmark, but he believed that the Board should have a philosophical discussion about service before it discussed efficiencies of service.

Mr. Bailey stated that the Board members needed to discuss a comparative analysis between the coverage model, productivity model, and the equity model and what effect those models had on pricing.

Ms. Hocken stated that there was a mission to provide some level of lifeline service, but she did not know how that fit in with what LTD was doing now in terms of coverage. Until she knew the relationship of productivity and coverage in terms of where routes were placed, she was not sure if she could provide policy direction.

Ms. Lauritsen stated that for the payroll taxpayers, whether or not they ever rode a bus, LTD ought to at least operate a bus near their places of business every so often. Like private corporations, LTD needed to make money, but LTD was in the gray zone neither being an agency nor a private company. She was not sure that productivity, with 80 percent of the money coming from other sources, was the way LTD should be going.

Mr. Kleger stated that LTD could not afford to ignore productivity. LTD had a mission to provide lifeline service, reduce the number of VMTs, and reduce congestion to special events. LTD was, as Ms. Loobey stated earlier, several bus operations, and it was difficult to balance those competing values.

LTD was in the process of attempting to strike what amounted to a balance or a compromise among competing values. Mr. Kleger's personal view was that LTD had the wherewithal to provide better coverage each time it improved efficiency. He did not see the two as, necessarily, contradicting each other. LTD found ways to improve efficiency and improve farebox recovery that provided more resources to use on all of its missions.

Mr. Kleger said that at moments like this, he found himself somewhat frustrated between the philosophy of system planning and the philosophy of farebox recovery being divided into two discussions, because they were inextricably linked. Massive changes

tended to upset everyone and discourage people. Gradual changes were more easily absorbed. If LTD were in a crisis situation, faster changes might be unavoidable, but there was a price to be paid for them. Given all the factors, it was extremely complex, and it became more so as time went on and the community grew.

For Mr. Kleger, there was one more complicating factor –there were a limited number of places to operate buses. There was the serious problem of huge blocks of built community that were mazes through which operating buses was nearly impossible to do on any kind of an efficient basis. There were not a lot of choices about where to operate buses. These were the types of issues that staff had to juggle, but Mr. Kleger wanted staff to determine the most efficient way of getting the job done to meet more needs.

Mr. Bailey asked what discussion the Board needed to have at this meeting or what questions the Board needed to have answered in order to keep the CSR process moving forward.

Mr. Vobora stated that he thought the Board needed to come to some consensus about what the system would look like and how broad the coverage would be. Staff could refer back to the proposed service design guidelines to provide a sounding board for developing the service. The pricing issue would be presented to the Board at its regular meeting on March 17 and would address how service and pricing worked together. It also would include an overview of how the transit industry, on average, set its service policy according to goals in terms of coverage and VMT-reducing services, and then in terms of how a pricing plan was developed that helped meet those goals

Mr. Vobora said that staff believed that LTD had a good bus system, and the intent was to build on the good of the system. He believed the staff research and design work could occur in conjunction with the Board discussion. He also believed that staff could continue to answer questions, and if the Board had specific questions, he asked that they contact staff directly so that answers could be provided on a timely basis.

Mr. Bennett wondered what direction the Board wanted to take. He thought that the Board had a responsibility due to the narrow tax base to consider all options, such as zone pricing or higher pricing, for example.

Ms. Hocken stated that she would be interested in finding out what LTD's coverage ratio was with the current standard and also with the higher standard scenarios. She also was interested in reviewing fare changes to see how they would affect the demand for service. She asked if the UO football service was being charged at the fully-allocated costs. Mr. Vobora replied that passengers paid a portion, and the UO subsidized the remainder of the fully-allocated cost. Ms. Hocken also was interested in reviewing statistics from other transit properties that addressed balancing coverage and productivity.

Mr. Vobora stated that most transit agencies set specific standards. Typical minimum standards were set at 15 to 20 rides, acceptable standards were 20 to 25, and above-average standards were 25 and above. Often, standards were set a little higher for commuter routes and a little lower for neighborhood connectors. With regard to Ms. Hocken's question about what percentage of coverage would be lost if the productivity standards were raised, it would depend upon such factors as the reallocation of the service

that was eliminated. The coverage area may not change significantly, but the frequency of service would change and the type of service would change.

Ms. Hocken stated that she understood it was a hard question, but she wondered what would happen to coverage if all the routes below a 75 percent standard were eliminated. She stated that she would like to see a mapping of the various scenarios. She added that a segment standard might also be considered along with the route standard.

Ms. Wylie stated that this was a highly complex issue, and she believed in staff's ability to sort through the information and make recommendations to the Board. She realized the Board wanted to continue to honor its role as financial keepers of the public trust and also continue to provide some level of lifeline service. She believed that staff took those things into consideration, and she thought the Board needed to listen to staff expertise, especially on a complex issue such as this one. That did not mean that the Board could not review figures for higher productivity standards, etc. Ms. Wylie stated that her goal also was to increase ridership to accomplish better fare revenue, and to keep the ride attractive by not increasing fares. She thought that the Board ought to trust staff's hard work on these complex issues.

Ms. Loobey stated that it was valuable to have this dialogue each time LTD embarked upon a large planning process such as the CSR. It helped to keep staff focused and prepared to respond not only to the concerns of the Board, but also to the concerns of the LTD taxpayers and other members of the community. She believed that one of the most frustrating aspects of the job of providing transit services to the community was that the benefits were not quantified. If they were quantified, then LTD would find itself in fewer dilemmas about the number of taxpayers or the fact that the farebox revenue made up only 21 percent of the operating costs, which, Ms. Loobey noted, was phenomenal when compared with other transit properties the size of LTD. But LTD was more than just a bus company. Ms. Loobey stated that LTD was created because the cities of Eugene and Springfield chose to have a bus system for the too young, the too old, and the too poor. It was a fundamental reason for the existence of LTD. LTD had grown over time as it had found more opportunities to be more to the community. It was very hard to quantify those accrued benefits to the entire community. For example, Ms. Loobey asked what it would cost the community to experience gridlock around Autzen Stadium during special events, such as football games, or what did it saving the community to not be experiencing that gridlock? The costs of not providing that service had not been quantified.

LTD had a long-range financial plan, and it was known where LTD stood financially, even as it moved forward with the kind of expenditures being raised with the bus rapid transit (BRT) project. In addition, it was known what the fare elasticity was. Discussions could be held about charging more or getting more from the farebox. There were competing goals when considering what to do with fares and what to do with ridership. The frustration was in weighing LTD's role in being a part of the transportation infrastructure against those competing goals.

When LTD increased the weekend fare, ridership on the weekends decreased for 18 months before it began to rise again. Another example cited was service to Gateway. The tail end of that route traveled south on Pioneer Parkway, which was a very unproductive

segment of the route. The choice had to be made to travel along Pioneer Parkway anyway, because it was the most logical, direct route to the Springfield Station. That was an example of an unproductive route segment that could not be eliminated. This was the hardship of operating within a built environment.

Ms. Loobey believed the Board needed to have these discussions and get these issues out on the table. Staff would respond with the best information possible, and were more than willing to compare any part of what LTD was doing at any time with what other transit properties were doing across the country.

Ms. Loobey said that it was important to remember what LTD's essential mission was and to know that LTD did provide more benefit to the community than could be measured. For instance, it was known that Sacred Heart and the UO were not building additional parking garages because of the group pass program, and Hyundai had received parking variances because of the group pass program. Those facts did not end up being part of the farebox-to-operating cost ratio.

Ms. Wylie stated that with the current BRT and Springfield Station planning in Springfield, she did not want to downgrade routes that supported Springfield ridership. And a key route in Springfield was the Gateway route. She thought the Board members needed to keep in mind what was important to their constituents.

Mr. Bailey stated that he thought Ms. Wylie's encapsulation of where things stood was good in the sense that staff's charge from the Board was to get the productivity level to the highest level possible, do the same thing with coverage, and to not make it cost-prohibitive. He was not sure what other guidance the Board could provide. He stated that he was frustrated with the fact that the Board had gone back and forth, at least since he had been a member, on the coverage/productivity, lifeline service/productivity, market debate.

In October, during the Board strategic planning work session (retreat), Mr. Bailey thought that there had been a breakthrough moment when the Board found some other way of conceptualizing that debate that would move the District forward. And while it might not be the answer, it might be the way of getting to the answer. He had not heard the Board engage in a further discussion of the numbers or the philosophy behind that breakthrough moment. He believed that was what the Board needed to do to move forward. The October discussion encapsulated everything that had been done with the coverage, productivity, and pricing elements.

Mr. Bailey continued by saying that some Board members wanted to talk about values and philosophy, but could not do so without knowing what some of the numbers were. And, the Board could not have a conversation about what some of the numbers were without having the values conversation. Using the Gateway route as an example, it would not be enough to say that the Board could just review the numbers and make a determination to eliminate or replace the Gateway route. The Board would need to have some semblance of an answer or it would continue to bounce back and forth between the values and a practical numbers conversation.

There was some tension, and Mr. Bailey was not sure it was resolved, but he did think that the Board began getting at it during the October discussion. He believed that the Board needed to get back to that discussion before moving forward in a productive fashion.

Ms. Lauritsen referred to the statistics that showed LTD third behind Portland and Seattle in terms of population served per 1,000 rides and boardings per revenue hour, and asked Mr. Vobora to prepare some "what if" scenarios about what was different about Portland and Seattle that caused their statistics to be higher than Eugene. She stated that she agreed with Mr. Bailey's belief that the Board needed to recapture that discussion from October.

Mr. Vobora responded that both Portland and Seattle had such a density that some people were forced to use alternative modes. Staff had just received data from Lane Council of Governments, which attempted to reveal the density/productivity index that would blend the issues of levels of density and levels of service provided and what productivity was being gained from it. The answer was an index that generated the ability to gauge the coverage/productivity of service.

Staff were struggling with the same issues as the Board and had continued to discuss those issues with the consultant who worked with the Board in October. It was important to continue to look at the current system in terms of the things staff were knowledgeable about and comfortable with, and to consider the number of hours of service that fell within that high-productivity range and to analyze the factors that caused those routes to be so productive.

Routes that fell below the standard could be considered coverage routes. The Board could decide to raise the standard and do away with those routes, but accept some coverage routes that were at the lower end of the standard. Staff would continue to work on these issues.

Ms. Hocken encouraged staff to continue to develop the index, which might give the Board a clue as to why some routes were really productive and others were not, as well as if there were places where productive service could be added because the necessary density factors were there. She thought the index could be very useful for many things.

Mr. Vobora added that was exactly why staff wanted that information. It would be very helpful during the segment analysis to have the tools to analyze the density of the area and know more about what to expect from service. Using the Gateway area as an example, Mr. Vobora stated that according to rides per hour, the Gateway route did fall below the standard, but staff knew that it was due to certain unproductive segments along that route, such as the segment from Gateway to Springfield Station along Pioneer Parkway. According to the density figures, the Gateway area ought to have more service, because the index would show that it was under-served along the Gateway Street segment. So, if productivity were the only factor being considered, that route would be in danger of being cut. There were many factors to consider, and Mr. Vobora thought that those indexes would be of great assistance.

Mr. Kleger stated that some of the riders claimed that the Gateway route was under-served.

Mr. Bailey reminded the Board that the October discussion centered around the index and an understanding of how productivity related to density. LTD had valued high coverage for a very long time, and now the District had matured and there was little room left to grow in terms of the confines of traditional bus service. LTD now was a transportation entity, which meant productivity issues needed to be more highly considered. The only way to merge those issues was with this density index.

Ms. Hocken stated that because the street network was not conducive to coverage, the Board may need to consider an expectation that people use Park & Rides along major corridors as a way to serve the dense areas. Maybe people could no longer expect a two- or three-block walk from their residences to the bus stop. This would affect coverage as well.

Ms. Wylie asked if there was a process for reviewing how businesses had changed, including new business and changes in the nature of the business. Mr. Vobora replied that staff would analyze both those issues during the segment analyses. In addition, LTD staff reviewed and actually signed off on new business development plans.

Mr. Vobora stated that Ms. Hellekson had a pricing presentation that had been scheduled for this meeting that was closely tied to the current discussion. Ms. Hellekson added that there were two pieces to the fare discussion. One was the big picture, objective piece that addressed how to go about developing fare policy and how it interrelated with the service policy. Some of her material would provide clarity to some of the discussion that had taken place at this meeting. The other was a piece of business that would allow LTD to move forward in carrying out the current fare policy for one more year. As Mr. Kleger had mentioned, fare policy could not be developed in isolation; it had to be developed in conjunction with the service policy, and until the CSR was complete, it did not make sense to reinvent the wheel on fare policy. However, there were some important concepts that Ms. Hellekson wanted to share with the Board that she believed would be helpful. She said that she could provide a condensed version of her presentation at this meeting, then give the full presentation at the 5:30 p.m. work session on Wednesday, March 17.

Ms. Loobey stated that she believed it was a very important issue, and it should be heard by all of the Board members. It was to the Board's advantage to have the other Board members present.

Mr. Bailey asked if handouts could be provided prior to the meeting for Board review.

Ms. Hellekson provided a brief version of the pricing presentation. She stated that the fare policy consisted of three pieces. The first piece was service, the second was earned and unearned available subsidies, and the third was farebox. She stated that the available subsidies piece of the fare policy historically had changed in significance.

When public transit was in its infancy, the farebox piece was very important because available subsidies did not exist. However, when communities and the federal government got involved, suddenly subsidies were available, and the farebox piece got smaller. Farebox revenue was not expected to do more than fill the gap. Then, the federal government got out of the business of operating subsidies, and the farebox recovery trend had decreased. The average farebox recovery for all bus systems in the country was 33 percent, which included

the major systems. The average for smaller properties was 20 to 25 percent. What happened was that the service piece became so important that transit properties found other ways to subsidize the service, which for LTD was in the form of the payroll tax.

Farebox recovery and available subsidies defined the service. So, when the CSR was complete, there would be a picture that would relate to what the overall goals of the community were, such as reduction of VMTs and continued service to the transit dependent. Those things were the big pictures of what LTD was trying to accomplish.

Ms. Hellekson also wanted to clarify what farebox recovery was. Farebox recovery ratio actually was the formula of farebox dollars over operating expense. Much discussion went into the farebox dollar piece of the formula, such as if the market could bear more. Ms. Hellekson added that two-thirds of the transit properties in this country charged \$1.00 or less for adult fares, and she had many reasons to explain why that was true. The systems that charged more than the \$1.00 barrier had a number of factors in their favor, such as congestion pricing programs in effect that made the fare a good deal. Most of them had pre-paid fares or some other electronic farebox system that took the inefficiency away from counting those coins. For example, Pierce Transit had fareboxes that counted cash fares.

Farebox policy was such a difficult issue, that 94 percent of the transit properties in this country had no formal farebox policy. LTD was one of the 6 percent that did have one. Not only did LTD have a policy, but it specified when fares were to be reviewed and how often fares needed to be raised and for what reasons. In addition, LTD's fare policy emphasized that farebox recovery was a high priority.

Therefore, even though the farebox ratio was discussed at great lengths, decisions were being made about the operating expense that had an impact on what that total ratio number was. For example, if making the farebox ratio as high as possible was a high priority goal, then certain considerations would need to be reviewed, such as public restrooms at the Eugene Station, wastebaskets at the shelters, landscape at the Glenwood property, and cleaning the buses each and every night. Those considerations all went into the operating expense that caused the farebox ratio to be lower.

Ms. Loobey stated that Ms. Hellekson's presentation would be provided on Wednesday, March 17, at the work session beginning at 5:30 p.m.

ADJOURNMENT: There being no further discussion, Mr. Bailey adjourned the meeting at 7:20 p.m.

Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, March 17, 1999

Pursuant to notice given to *The Register-Guard* for publication on March 11, 1999, and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held on Wednesday, March 17, 1999, at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, President, presiding
Rob Bennett, Vice President
Pat Hocken
Dave Kleger, Treasurer
Virginia Lauritsen
Hillary Wylie, Board Secretary
Phyllis Loobey, General Manager
Susan Hekimoglu, Recording Secretary

Absent: Dean Kortge

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Board President Kirk Bailey called the meeting to order at 5:37 p.m. He noted that there was a quorum present. Mr. Bailey adjusted the order of the work session agenda to place the Bus Rapid Transit (BRT) Project Update as the first item on the agenda.

I. WORK SESSION

BUS RAPID TRANSIT (BRT) PROJECT UPDATE: Planning and Development Manager Stefano Viggiano stated that the only part of the agenda item summary on page 8 of the agenda packet that he wanted to adjust was the BRT goals and performance objectives. He distributed revised BRT goals and objectives. He explained that the goals and objectives as presented in the Board packet previously were presented to the BRT Steering Committee. As a result of the Steering Committee discussion, the goals and objectives were revised. The new draft was dated March 17, 1999. Mr. Viggiano then highlighted the revisions for the Board. An overview of BRT was added to the document, the design elements previously were listed as objectives, and the goals and performance objectives were separated from the design elements.

Previously, there were goals and objectives included in the project development plan, and the revised draft document added measurable objectives and addressed what LTD hoped to achieve with BRT performance objectives. Mr. Viggiano stated that it was a draft, and staff were not asking for Board approval at that time. The revisions would be presented to the Steering Committee, who would make a recommendation to the Board for adoption in April. Staff did however, desire to begin sharing the document in draft form with other groups, and in particular, the Lane County Commissioners, who

had requested some follow-up information. Staff would ask the Commissioners to comment on the draft goals and objectives.

Mr. Viggiano also reported that the third workshop for the downtown Springfield segment had been held, and there still were a number of issues that staff were working on. The four design alternatives for the downtown Springfield segment were listed in the agenda item summary. Data analysis would continue, and staff were not prepared to make a recommendation at this time.

Workshops were planned for the Downtown Eugene East segment, beginning on March 30, 1999, at the Eugene Hilton. Mr. Viggiano encouraged the Board members to attend.

FARE POLICY: This item had been carried forward from the March 15, 1999, work session. Finance Manager Diane Hellekson stated that this item was intended to be an extension of the service policy discussion on March 15, and was separate from the discussion that was scheduled for later in the regular Board meeting.

Ms. Hellekson stated that fare policy was not an easy subject. She presented what research indicated were appropriate components of fare policy: how fare policy interacted with service policy, farebox recovery, and fare differentiation in zones. In addition, she discussed the results of different fare policies at other transit properties.

Ms. Hellekson stated that there were three fundamental questions that drove the development of a fare policy: 1) What were the overall goals of a transportation system in a community; 2) What were the sources of available funding; and 3) What services did it make sense to provide, given the funding sources? After those questions were answered, the final question was what service and fare policies best supported those goals.

Ms. Hellekson stated that LTD was fortunate to have a number of available research sources. Transit was a heavily regulated, heavily researched industry.

According to research, when the service policy and farebox policies were set, and an assessment was made as to what was logical to include in the subsidies, typically there was a gap between what was desired and the available funding resources.

Service and fare policies were driven by financial and economic conditions, operational goals, social goals, and environmental goals. The policy also should preserve flexibility to meet market demands and/or revenue targets, encourage the use of scarce resources, and encourage system productivity.

Farebox recovery ratio was farebox revenue divided by operating expenses and was one measure of performance. An important way to make it valuable was to have it stated within the policy as a goal. LTD's farebox recovery ratio was 21 percent.

Ms. Hocken asked how farebox revenue differed from operating revenue. Ms. Hellekson stated that farebox revenue strictly was revenue from fare instruments. Operating revenues included all other revenues, such as advertising on the buses, rental

payments, sale of merchandise, etc. LTD's strategic plan set a farebox recovery goal of greater than 20 percent and an earned operating expense goal of 4 percent. The earned operating expense goal would increase to 5 percent during the two years following the opening of the Eugene Station.

Mr. Bennett stated that the materials indicated that the average farebox revenue percentage was 33 percent, which included all transit properties. He asked if the larger properties had an advantage. Ms. Hellekson stated that none but California, where the farebox recovery was mandated by law. Mr. Bennett then asked if other transit properties were using the same operating expense and farebox definitions. Ms. Hellekson stated that they all used the same farebox recovery definitions, but that operating expenses could include many different components for different properties.

Mr. Bennett then asked if the Board would be discussing the issue in a general sense following Ms. Hellekson's presentation. Ms. Hellekson stated that the issue would be discussed a lot during the coming months.

Mr. Bennett stated that unless each of those components that went into the policy could be quantified, he would be unable to analyze them and make a conscientious decision. Ms. Hellekson stated that farebox recovery goals did not just happen. Decisions had been made after careful analysis and projections were made.

Mr. Bennett further stated that he wanted to understand each of the components and how they applied to the farebox recovery goals. He thought that comparing our farebox recovery ratio with other transit properties that were located in communities that had congestion pricing, for instance, was not a good comparison. Congestion pricing was not a factor at LTD.

In addition, Mr. Bennett stated that there was a serious argument about whether the automobile was subsidized or if it paid for itself. It was not a foregone conclusion that, in the context of operating expenses of the automobile, the automobile paid for itself. Components that should be included in the operating cost of an automobile could include infrastructure and maintenance of the roads to make it a heavily subsidized form of transportation. A balanced transportation system, in comparison, was not heavily subsidized.

It was important in the context that Mr. Bennett would argue to figure out what the fundamentals were of maximizing the farebox recovery. Then, if decisions were made that took away from the farebox recovery ratio, everyone would understand what that was and the effect it would have. Mr. Bennett stated that he would like to see the various alternatives that would increase the farebox ratio, which could include anything from different pricing zones to a variation of pricing based on productivity to increasing the ridership standards. Ms. Hellekson replied that staff had planned to present those very options that Mr. Bennett had discussed.

Ms. Hocken stated that she thought it would be beneficial to have a discussion about how other alternatives influenced the operating expense, such as productivity and coverage. Ms. Hellekson explained that her presentation was meant as an example of what influenced farebox recovery goal setting. Ms. Hocken stated that another issue

was that the model used service to drive the farebox recovery, but it might be valuable to look at how the farebox recovery influenced service.

Mr. Bennett stated that maybe this model was the correct one, but he believed the Board ought to flesh that out for themselves. If the current farebox recovery was 21 percent, then what would it mean if the Board set a goal of 25 to 30 percent, and could the Board do that?

Ms. Hellekson stated that staff presentations were headed in that direction; however, staff believed that it would be important to lay a foundation with the Board about what components went into setting farebox policy.

Ms. Lauritsen stated that it was her observation that with federal operating funds dwindling, state funding also would dwindle.

Mr. Bailey stated that he believed the Board had an understanding of the fundamentals, and it was now time to get to the scenarios, what the options were, and what they meant.

Ms. Hellekson stated that there was extensive and valuable research that staff could draw on to present information about the various scenarios, such as use of zone pricing. Staff would get that information to the Board as soon as possible. She was concerned that the Board might hold that discussion too soon, and embark on a scenario that might not work well in this community.

Ms. Hocken stated that this conversation was related to the service discussion, and while the intent was not to slow down the Comprehensive Service Redesign (CSR) process, the Board did need to have an in-depth discussion. She thought the conversation could take place during the next three to four months before the Board might have a good understanding about how the different scenarios might affect the service and fare policy.

Ms. Hellekson stated that there were pieces of the fare policy development that could trail the CSR decisions. She believed the Board discussion could be interactive with the CSR process.

Mr. Kleger thought it might be appropriate for the Board to hold a special meeting in addition to its regular meetings for the purpose of holding this discussion. There was a lot of information, and the Board members needed to make sure they knew what they were dealing with before they made major structural differences.

Ms. Hellekson reiterated that this was not an easy issue. If it were easy, more than 6 percent of the transit properties would have written fare policy with specific guidelines about when and how fares were adjusted. Research indicated that the vast majority of transit properties had no specific fare policy written, no regular review of fare policy, and service policies were by default. LTD was way ahead of the curve in some respects on this issue.

The Board members had no objections to holding a special meeting for a major review of service and fare policy. Ms. Loobey stated that staff currently were very busy

with the budget preparations and planning work sessions with both city councils. She suggested that a special session be planned for sometime after May 1.

ADDITIONAL WORK SESSION AGENDA ITEMS: Mr. Bailey noted that it was time to begin the regular meeting agenda. Ms. Loobey stated that the other items on the agenda for the work session were included in the packet, and if the Board members had questions about any of the additional items, staff would be available to answer them.

II. REGULAR MEETING – ITEMS FOR ACTION

EMPLOYEE OF THE MONTH: Mr. Bailey introduced the April 1999 Employee of the Month, Bus Operator Larry Harmon. Mr. Harmon was hired on August 24, 1992. In 1998, he earned awards for three years of safe driving and six years of correct schedule operation (CSO). A member of the community, who wanted to say thank you to Larry for his patience and help one afternoon, nominated him for this award. Mr. Harmon, having seen a disabled car blocking traffic, stopped to assist. He was able to help get the person's car started and out of the way.

Mr. Harmon's supervisor described Mr. Harmon as being dependable and friendly, someone who treats his customers with respect, and a person who has a genuine concern for making sure that the job gets done, and gets done right.

Mr. Harmon was presented with a letter of appreciation, a certificate, and a monetary award. Mr. Harmon said that he appreciated the award and the acknowledgement of his work ethic.

AUDIENCE PARTICIPATION: Mr. Bailey invited members of the audience to address the Board.

(1) David Duemlar of Eugene stated that he was a teacher at Lane Community College and also was a coordinator of Citizens for Animal Rights in Eugene and the secretary of Eugene PeaceWorks. He showed a poster regarding animal rights that he had attempted to have placed on the inside of the buses. The poster was produced by the Coalition for Non-violent Food, a project of Animal Rights, International. He had contacted the advertising firm of Obie Media and had been told that there was a non-profit rate. The Citizens for Animal Rights had agreed to the rate to place the poster, but were later told that LTD did not want something of that nature on the side of its buses. He was not given a reason for this decision, and he was at this meeting to get an answer.

Ms. Loobey stated that she was completely unaware of the transaction, and she would need to discuss the issue with Obie Media and get back to Mr. Duemlar.

In addition, Mr. Duemlar asked if LTD received federal funds. Ms. Loobey stated that it did. Mr. Duemlar said that he only asked that in case there was content-based discrimination going on. Mr. Bailey thanked Mr. Duemlar for his comments and said that someone from LTD would contact him.

No one else in the audience wished to address the Board.

MOTION

CONSENT CALENDAR: Mr. Kleger moved that the Board adopt the following resolution: "It is hereby resolved that the Consent Calendar for March 17, 1999, is approved as presented." Mr. Bennett seconded the motion. The consent calendar consisted of the Minutes of the February 17, 1999, regular Board meeting. Ms. Loobey called the roll, and the motion carried unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

VOTE

APPROVAL OF FISCAL YEAR 1999-2000 SERVICE RECOMMENDATIONS:

Service Planning and Marketing Manager Andy Vobora stated that in response to input from the public and the Board, staff had prepared a revised service recommendation. A previous service recommendation had been presented and a public hearing had been held during the February 17, 1999, regular Board meeting. Mr. Vobora reviewed the revisions.

The service recommendation would result in an additional 2,955 hours of service at a cost of \$84,600, which was an increase of 0.96 percent.

Ms. Hocken asked about routes 38 and 39, and the concern that a customer had testified about in February. Mr. Vobora stated that only four of the least-productive trips in the late afternoon were being eliminated, which would maintain service throughout the day, but would alter the evening service.

Public Hearing on Service Recommendations: Mr. Bailey opened the public hearing. No one from the audience wished to address the Board, and Mr. Bailey closed the public hearing.

MOTION

Board Deliberations: There being no further discussion, Mr. Bennett moved the following resolution: "It is hereby resolved that the LTD Board of Directors approves the Fiscal Year 1999-2000 service recommendations as presented on March 17, 1999." Mr. Kleger seconded the motion, which passed unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

VOTE

FY 1999-2000 PRICING PLAN AND FARE POLICY: Ms. Hellekson stated that as she mentioned earlier, the fare policy discussion was to occur in conjunction with the CSR, and for the moment staff were requesting Board approval of a continuation of the application of the current fare policy and allowing an adjustment of certain fare rates as proposed.

There were two revisions following the March Board deliberation and public hearing. Staff no longer were requesting to eliminate the day pass, and the senior/reduced pass price was reduced from \$33.00 to \$32.50.

The RideSource fares were included; however, because notification was not sent to the RideSource riders, staff agreed to hold an additional public hearing in April so that Lane Council of Governments could have an opportunity to notify the RideSource riders.

Public Hearing on Pricing Plan and Fare Policy: Mr. Bailey opened the public hearing and invited members of the audience to address the Board.

(1) James Creith, Jr., of Eugene, asked when the senior/reduced fare would be increased. Mr. Bailey stated that, if approved, the new fare would not be effective until September 1, 1999. Ms. Hellekson stated that all the fare changes would be effective on September 1, 1999, with the exception of the cost of the Freedom Pass, which would not be changed until the spring of 2000.

No one else wished to address the Board, and Mr. Bailey closed the public hearing.

MOTION

Board Deliberations: There being no further discussion, Mr. Bennett moved the following resolution: "It is hereby resolved that the Board direct staff to prepare amendments to Ordinance #35, An Ordinance Setting Fares for Use of District Services, consistent with the recommendations of the Draft FY 1999-2000 Pricing Plan included in the March 17, 1999, agenda packet." Ms. Hocken seconded the motion.

Ms. Wylie asked what the age requirement was for the senior fare. Ms. Hellekson replied that it was age 62. Ms. Hocken asked about the first reading of Ordinance #35. Ms. Hellekson stated that the first reading would be held in April 1999.

Mr. Kleger stated that the Special Transportation Fund Committee had thoroughly discussed the issue of raising the fare for RideSource. An effort had been made to talk to the RideSource riders and explain the increase. Mr. Kleger noted that there had been an increase in RideSource users using the fixed-route service that was not entirely due to the increased fares, but also due to training. It was all part of a policy to encourage people to use the less-expensive, fixed-route service whenever possible.

Mr. Bennett asked if there were many RideSource riders who could use the fixed-route service. Mr. Kleger replied that there were fewer now than last year, and the number was steadily decreasing. Applications were carefully screened, and anyone who appeared to be trainable for fixed-route was trained as soon as possible. The fixed-route service also was more convenient, since rides did not need to be planned 24-hours in advance.

Ms. Hellekson added that statistics showed that the policy was working. Lift rides on the fixed-route service were increasing, while RideSource demand had remained steady. The re-certification process of all RideSource riders had been successful in checking eligibility.

VOTE

There being no further discussion, a vote was taken, and the motion carried unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

CAPITAL IMPROVEMENTS PROGRAM (CIP): Ms. Hellekson stated that the CIP was reviewed and revised each year as part of the budget development process. The five-year plan formed the foundation for the proposed Long-range Financial Plan. The first year of the rolling CIP became the proposed capital budget for the next fiscal year.

The proposed capital budget for FY 1999-2000 totaled \$10,204,396. More than half of this total represented the grant-supported bus rapid transit project. Ms. Hellekson reviewed the elements of the capital plan.

Ms. Hocken asked about the Springfield Station project. Ms. Hellekson stated that funds were assumed that were not yet obtained, either through grant funding or some other type of partnership agreement. It was the only project in the next year's capital plan for which LTD did not have full funding already identified.

Mr. Bailey asked if the figure for the Springfield Station was based on the cost of the Eugene Station. Ms. Hellekson stated that it was, but that it was a big assumption that the Springfield Station would be on the same scale as the Eugene Station.

Ms. Hocken asked when the site was selected for the Springfield Station, what Board action normally would be taken to select the site, adopt a budget, and select the plans. Because the Springfield Station was in the budget, it did not mean that LTD meant to spend that amount at this time. Ms. Hellekson stated that often items were included as a placeholder in the capital budget, while staff researched their feasibility, such as the Coburg Park & Ride that was never built. Transit Planner Micki Kaplan commented that the Springfield Station was a placeholder at this point, and staff would present recommendations for Board approval once a site was selected and plans were drawn.

MOTION

Ms. Hocken moved that the Board approve the following resolution: "It is hereby resolved that the proposed Capital Improvements Program for fiscal years 1999-2000 through 2003-2004 is approved as presented." Mr. Kleger seconded the motion, which carried unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

VOTE

BOARD HUMAN RESOURCES COMMITTEE RECOMMENDATION:

Mr. Bennett, Chair of the Board Human Resources Committee, reported that the committee recently had met to review the general manager's compensation and the general manager succession plan.

Mr. Bennett said that Human Resources Manager David Dickman had done an outstanding job of researching and putting together information to compare and review the compensation package of the general manager. It was clear that a significant adjustment needed to be made. This review had not occurred for a number of years. The Board had been caught up in other issues, such as the bargaining unit, the legislation around the general manager's salary, and the administrative staff compensation review. The committee unanimously agreed that it was time to make a reasonable adjustment to the general manager's compensation.

Ms. Wylie, also a member of the Human Resources Committee, agreed with Mr. Bennett that the Board now was playing catch up. Mr. Dickman had provided good comparative data, and she agreed with the recommendation. The current compensation was not a competitive package. The general manager's salary had not been adjusted for a number of years, and out of respect and gratitude to the current general manager and to ensure competition for the general manager succession, she highly recommended that the Board approve the recommendation.

Mr. Kleger expressed his appreciation to the Human Resources Committee for addressing this issue. He had served on other boards that had to recruit high-level executives with insufficient resources to match the market.

Ms. Lauritsen thanked Ms. Loobey for the good job she did as general manager and stated that she supported the proposed recommendation.

Mr. Bailey thanked the committee and Mr. Dickman. Since he had become a member of the LTD Board, the Board had attempted to promote fairness in terms of compensation for all employees of the District. The general manager compensation review was overdue.

MOTION

There being no further discussion, Ms. Hocken moved the following resolution: "It is hereby resolved that the LTD Board of Directors adjusts the general manager's compensation for Fiscal Years 1998-1999 and 1999-2000 as set forth below:

Effective July 1, 1998

- 1998-1999 base salary increase to \$91,000
- 1998-1999 base salary adjustment of 1.7 percent
(action results in final 1998-1999 base salary of \$92,547)
- These changes to be made retroactively

Effective July 1, 1999

- 1999-2000 base salary increase to \$98,500
- Adjust base salary the same amount as administration employees effective July 1, 1999

and, furthermore, that the Board reaffirms its employment agreement with the current general manager, with the inclusion of the recommended compensation changes."

VOTE

Mr. Kleger seconded the motion, which carried unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

In the matter of the General Manager Succession Plan, Mr. Dickman stated that the plan had been distributed to the members of the Board. The plan envisioned three phases. Phase One would include the formation of a Board executive search committee and an ad-hoc executive committee that would have the authority to act and be delegated certain authorities.

Phase Two would involve the gathering of information from stakeholders within the community about the future of LTD's leadership.

Phase Three would be the ad-hoc committee, acting on behalf of the Board of Directors to hire an executive search firm that would conduct a nationwide search for replacement of the general manager.

There was another phase relative to the types of narrowing that the search firm would conduct. This phase would be developed in conjunction with discussion from the Board.

The plan envisioned that the Board would make a decision relative to replacement with a goal date of March 31, 2000, to allow a comfort zone for the new general manager to make the transition.

Mr. Kleger thought that the draft plan was very well put together. Mr. Dickman added that the stakeholder input was included to identify qualities and not to surrender the Board's responsibilities in this matter.

Mr. Bennett stated his concern about Phase Two and the level of community involvement. While he believed that stakeholder input was important, he also believed that the Board members were most familiar with the level of skills and the level of internal and external responsibility that the current general manager possessed. He thought that the Board should remain at the core of this decision-making process.

Mr. Dickman stated that the plan was a set of goals, enumerated in a chronological order. The plan would be controlled by the Board and the Board committees. The plan would provide a basis by which the Board would operate in this matter, but it was not binding.

Ms. Hocken stated that several years ago, when the Board was forced to accept bids for legal services, after many years with the same firm, the Board discovered through that process that there were many different perspectives that it had not considered. She believed that by talking to stakeholders, the Board might discover different perspectives, and would not be giving away its responsibility.

Mr. Bailey stated that his reaction to the ad-hoc group was that it would be a working group and should not grow so large that it could not work. Ms. Hocken added that the ad-hoc group could develop an instrument to receive feedback.

Ms. Lauritsen stated that she was concerned with the time and efficiency. She thought the Board should comprise the ad-hoc committee before going out to the community. Mr. Kleger stated that when he first joined the Board, he learned that committees should have no more than three members, because four would make a quorum of the Board.

Ms. Loobey stated that it would be important for the Board to elicit information and advice from strategic groups of clients or customers of the District. She thought it would be important to have communication in an organized way from the Employee Council, a unit of the Amalgamated Transit Union, the Chambers of Commerce, and the major group pass holders: Sacred Heart, UO, and LCC. These groups had an image and opinion of LTD. She believed that given the District's agenda for the future and its mission, it was important for the District to remember the significance that this transition of leadership had not only for the organization, but also for the community.

The BRT process is a door-to-door process, and she did not believe that this process should be applied to the general manager transition process. However, she

believed that key community leaders had an opinion about what they would like to see and they had some sense about what LTD's vision was for the future. LTD was an important part of the transportation infrastructure, and choosing a new general manager was part of the transition from a little bus company to a bigger bus company.

Mr. Bailey stated that he thought there was general support from the Board members for the transition plan, but that some further details of the ad-hoc committee needed to be worked out. The Board Human Resources Committee would meet again on April 12, and the full Board would revisit the issue at its April meeting.

BUDGET COMMITTEE NOMINATIONS: Board members Hillary Wylie, Dave Kleger, and Pat Hocken nominated community members to new three-year terms on the Budget Committee, beginning immediately and ending January 1, 2002, to replace Budget Committee members whose terms expired on January 1, 1999.

Ms. Wylie recommended Michael Bean, Executive Director of ACES, a drug and alcohol treatment program, and a Springfield resident. He was familiar with budgets and government projects.

Ms. Hocken nominated Pamela A. Papp, a management consultant.

Mr. Kleger nominated Elaine Guard, Area Vice President for Barrett Business Services, Inc. He said that she had experience in dealing with substantial budgetary matters.

MOTION

Ms. Wylie moved the following resolution: "It is hereby resolved that Michael Bean, Pamela Papp, and Elaine Guard are appointed to the LTD Budget Committee for a three-year term beginning immediately and ending January 1, 2002. Mr. Kleger seconded the motion, which carried unanimously, 6-0, with Bailey, Bennett, Hocken, Kleger, Lauritsen, and Wylie voting in favor, and none against.

VOTE

III. REGULAR BOARD MEETING – ITEMS FOR INFORMATION

BOARD MEMBER REPORTS: Metropolitan Policy Committee (MPC): Ms. Hocken reported that Oregon Department of Transportation (ODOT) had changed the allocation of Surface Transportation Improvement Plan (STIP) allocations, of which LTD typically received a portion. As a result, LTD would experience a severe drop in revenues from this source. MPC sent a letter of comments to ODOT covering this and other issues, but requesting that the transit district be given further consideration comparable with what had been given in the past. The other item discussed at MPC involved issues related to TransPlan, which were more serious for the cities and county than for LTD, because LTD had a stable source of funding.

Statewide Livability Forum: The next meeting was scheduled for May 11, 1999, and Ms. Hocken would attend.

BRT Steering Committee: Mr. Bennett reported that the committee spent time discussing the goals and objectives. An attempt would be made to set a realistic performance standard. No firm recommendation had been made on the Springfield segment and alternatives.

Ms. Hocken added that several Board members and staff had attended a recent County Commissioners meeting. The Commissioners had asked what the goals of the BRT project were and what LTD was hoping to accomplish. That conversation prompted the re-writing of the goals and objectives for the BRT project.

Springfield Station Steering Committee: Mr. Kleger reported that the committee had reviewed five sites and removed one (Site D) because of public input and the fact that there would be serious traffic problems for that site. The next meeting was to be held on March 18, 1999, and the committee would review the remaining sites and make recommendations about environmental assessments on those sites. Mr. Kleger noted that the steering committee was made up of very good people, who came to the meetings prepared and ready to work.

Update On Meetings With Local Area's Congressional Delegation: Mr. Bailey reported that he and Ms. Wylie had traveled with staff to Washington, D.C. LTD was joined by the cities of Eugene and Springfield, Lane County, and the Springfield Public Schools to present a "united front" on local federal priorities. Mr. Bailey reported that the meetings had gone well, and all the members of the delegation had been met with, including some from Oregon's delegation who did not represent the Eugene/Springfield area. There was some encouragement and some discouragement, particularly concerning this year's bus purchase.

The comprehensive agenda included juvenile justice, transportation issues, the federal courthouse, wastewater management, and a wide array of natural resource issues.

Ms. Wylie added that she believed LTD had gained support from the delegation just for being with the United Front group. The delegation was impressed with the joint presentation. She thought the process was very effective. There was a problem in that Oregon had a very small delegation with very little seniority. The United Front group spent an afternoon with the Federal Transit Administration (FTA), and it appeared that there would be some money for retooling American bus manufacturing companies to generate a new, innovative bus design. There was general excitement at the FTA for LTD's BRT project.

North End Scoping Group: Mr. Bennett reported that he had attended the introductory meeting in Mr. Kortge's place, and Mr. Vobora had made a presentation that was effective in providing a more comprehensive look at the 5th Avenue area. Meetings would be held every other week for 10 weeks, and it was expected that Mr. Kortge would attend.

Ms. Loobey added that the North End Scoping Group was a committee that had been put together by Mayor Torrey to study the issues around the train station and the development that would be going on there, including the new federal courthouse, which would remove much of the available parking. The Transportation Efficiency Act for the 21st Century (TEA-21) appropriated funds for the remodeling of the train station, and Governor Kitzhaber had presented his ideas for thruway buses from all areas to connect to the trains in Eugene. Those were two of the issues that prompted formation of the committee. She was pleased that LTD had been included in the group.

TRANSPLAN UPDATE: Mr. Viggiano reported that June 30, 1999, had been selected as the date for the joint public hearing before the LTD Board, Eugene and Springfield City Councils, and the Lane County Board of Commissioners.

LEGISLATIVE UPDATE: Mr. Bailey thanked Government Relations Manager Linda Lynch for her hard work in making the United Front trip a success. She had been a part of the Lane County delegation for some time, and it was a success because she was involved with it.

Ms. Lynch provided a brief update of the legislative events in Salem. She stated that most of what she had to say was included in the summary that was distributed at the meeting as Handout / Page 128 of the Board packet.

LTD ACCIDENT RECORD: Mr. Bailey directed the Board's attention to the agenda item summary on page 83 of the Board packet. The Board had asked for more information about how accidents were tracked, and the information was provided by staff.

OREGON PUBLIC PURCHASING AWARD: Mr. Bailey recognized Purchasing Administrator Jeanette Bailor, who received the "Partnership in Public Purchasing Hero" award from the Oregon Public Purchasing Association. Ms. Bailor was honored for her outstanding and innovative work on the Eugene Station. Mr. Bailey added that he had been told that the FTA Region X, located in Seattle, Washington, often called on Ms. Bailor to act in a consultant manner in transit purchasing matters. Mr. Bailey recognized Ms. Bailor as an asset to the District.

Adjournment: Mr. Bailey pointed out other items of interest on the agenda, and there being no further business, Mr. Bailey adjourned the meeting at 8:25 p.m.

Board Secretary

AGENDA ITEM SUMMARY – LTD Board of Directors

- DATE OF MEETING:** April 21, 1999
- ITEM TITLE:** ADMINISTRATIVE EMPLOYEE BENEFIT AND RETIREMENT CHANGES
- RECOMMENDED BY:** Board Human Resources Committee:
Rob Bennett, Chair; Dean Kortge; Hillary Wylie
- ACTION REQUESTED:** Adoption by the Board of Directors of the Plan as contained in the attached description.
- BACKGROUND:** The Human Resources Committee has evaluated the proposed benefits schedule attached to this summary. The benefits described herein were determined through a process that included a survey, conducted by the Employee Council, of employee preferences and priorities. The attached schedule describes the proposal in greater detail. The management team and the general manager have endorsed the attached recommendations.
- RESULTS OF RECOMMENDED ACTION:** The District will make changes to benefits in life insurance, long-term disability, supplemental benefits, and the salaried retirement plan. Salaried employee retirement will be changed by improving the formula of the defined benefit, introducing a defined contribution element, reducing the retirement age to age 60 or 30 years of service, and providing for death benefits to participants.
- ATTACHMENT:** LTD/Employee Association Proposal on Realignment of Benefits
- MOTION:** I move the following resolution: It is hereby resolved that the LTD Board of Directors accepts the recommendation of the Board's Human Resources Committee and approves the benefit reductions and retirement plan improvements as contained in the LTD/Employee Association Proposal on Realignment of Benefits, and, further, that the amendments to the Salaried Trust Plan necessary to implement the features dealing with retirement are hereby approved and the President of the Board of Directors, sitting as the President of the Salaried Trust, is authorized to implement the Plan amendments.

AGENDA ITEM SUMMARY – LTD Board of Directors

DATE OF MEETING: April 21, 1999

ITEM TITLE: GENERAL MANAGER SUCCESSION PLAN

PREPARED BY: David Dickman, Human Resources Manager

ACTION REQUESTED: Recommendation to Board

BACKGROUND: Consultant Susan Philips, Human Resources Manager David Dickman, and General Manager Phyllis Loobey assisted in the development of the attached draft succession plan. With the pending retirement of the current general manager, Lane Transit District must begin an orderly transition to new executive leadership. The attached plan envisions a process of broad stakeholder input, the services of an executive search firm, and the active involvement of the Board of Directors.

The attached plan is Part One of the Succession Plan and takes LTD to the point of narrowing the field of potential candidates. Part two will be presented for future consideration by the committee and the Board of Directors.

The Board had a presentation on this plan in their March business meeting. The Human Resources Committee reviewed this plan in March and voted to recommend the plan to the Board of Directors for adoption in April.

RESULTS OF RECOMMENDED ACTION:

The Board having received an overview presentation of this plan and the Human Resources Committee recommending approval of the plan, the Board may raise final questions and entertain a motion to adopt the General Manager Succession plan as attached. The Board President upon adoption should appoint a Search Process Steering Committee as called for in the plan.

ATTACHMENT: Succession Plan

MOTION: I move that the Board adopt the proposed General Manager Succession Plan.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Phyllis Loobey, General Manager

ACTION REQUESTED: None

ATTACHMENTS: The attached correspondence is included for the Board's information:

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*

At the April 21 meeting, staff will respond to any questions the Board members may have about this correspondence.

PROPOSED MOTION: None



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MONTHLY STAFF REPORT

April 21, 1999

SERVICE PLANNING & MARKETING

Andy Vobora, Service Planning & Marketing Manager

DOWNTOWN SHUTTLE STUDY

BRW Consulting of Portland, Oregon, was selected to conduct the shuttle feasibility study. An initial meeting has taken place to review the scope of work and the timeline. LTD staff will be contacting individuals to represent stakeholder groups to act as the advisory group throughout the process. The first stakeholder group meeting will occur the week of April 19, 1999.

YIELD LAW

The yield lights have been ordered and are due around the first of May. The training video for bus operators and police personnel is nearly complete. An educational plan for the community will be developed in April and run in May and June. Staff plan to provide the same information next fall to educate new students and remind the rest of the community about the new requirement. Staff will work with the police to see if a grace period can be established to allow the community to be fully aware of the new law before citations are issued for failure to comply.

SUMMER & FALL BID

Schedules are being written for the summer bid. This involves removing a number of routes that do not operate due to the significant loss of students during the summer. Service changes will take effect on Sunday, June 13, 1999.

Fall bid service changes are being finalized following the Board's action on the package of recommended changes. Route pairings will occur, followed by the runcut in mid-April.

Schedule writing will then begin and be finalized in early May. Graphics production of the Rider's Digest and the system map then will begin in earnest.

PLANNING ASSISTANT HIRED

A temporary planning assistant was hired to assist with departmental projects during the purchase and implementation of the new scheduling and runcutting software. Ruth Linoz, an LTD bus operator, was selected. Ruth has been an operator for five years and will be responsible for overseeing the implementation of community event services this summer and fall.

UO FOOTBALL

Preliminary meetings were held with University of Oregon staff to discuss this season's football service and to discuss the UO's plans for expansion. Changes for the 1999 season likely will include the addition of one Park & Ride, and will entail a new post-game configuration using a split station design. The split station means that riders from one Park & Ride location will board on the south side of the stadium. By moving one station to the south side, space is made available on the north side for the new Park & Ride boarding area.

LTD will participate in a meeting with the UO's engineering consultants in mid-April. This will give LTD an opportunity to express its needs for access when the stadium is expanded. The goal would be to double the existing modal split from around 13 percent to 25 percent or more. To accomplish this increase in ridership, a number of changes will be necessary. LTD is also interested in discussing longer-range changes in and around the stadium to accommodate better daily access to the stadium complex. This includes BRT changes along Centennial Boulevard and access to campus via a bridge crossing.

TRANSIT OPERATIONS

Mark Johnson, Transit Operations Manager

SERVICE IN AMERICA

The spring training cycle has begun with a class entitled Service in America. The purpose of the class is to raise all employees' awareness of the importance of customer service. The training also makes the connection between good customer service and the

District goal of increasing ridership. So far the training has been well received. It is hoped that improved customer service will result.

RADIO SYSTEM

Negotiations are continuing and the District is close to a takeover agreement with the bonding company for the completion of the mobile data acquisition system. The agreement is still being finalized, but it appears that GMSI will be working under the supervision of the bonding company, with a specific amount of time to complete the project.

NO-SMOKING POLICY

The implementation of the no-smoking policy at the Eugene Station went very well and overall seems to be successful. There are some minor problems, but the issues are less than when smoking was allowed. The environment inside the station is much more pleasant.

VIDEO CAMERAS ON BUSES

Three LTD buses will be equipped with digital audio and video recorders this weekend. The purpose of this pilot program is to improve security and safety on the buses. In addition, the cameras will be useful for identification and training purposes. The buses will have varied camera configurations to determine which will best meet LTD's needs.

NEW OPERATOR CLASS

Five new operators will begin their careers at LTD on May 10. The new operators are necessary to cover normal attrition and an increase in vacation time.

HUMAN RESOURCES

Dave Dickman, Human Resources Manager

RECRUITMENT AND SELECTION

Interviews for the positions of information services manager and human resources secretary were held during March.

EMPLOYEE RELATIONS

The 1999 Employee Appreciation Banquet was held on Sunday, March 14, 1999, at the DoubleTree Hotel. Attendance at the Banquet exceeded 450 current and retired employees and their families. Most of the comment cards received by Human Resources reflect very positive reviews of the event.

Special employee awards were presented and Diane Petersen's selection as the 1998 Employee of the Year was announced. Diane currently is the Customer Service Area Custodian at the Eugene Station. The District hired Diane on August 12, 1986, for the position of inside cleaner, and in 1995 she became the lead cleaner. She transferred to her current position in March 1998.

On March 5, 1999, Grace Thurston, bus operator and instructor, and Joyce Ziemplak, human resources specialist, were guest speakers at the Jobs Club at Looking Glass. They discussed general career opportunities at Lane Transit District and focused on non-traditional career choices for women. On March 16, 1999, Joyce Ziemplak participated in a career day presentation at Cottage Grove Middle School.

RISK, SAFETY AND BENEFITS

Benefits—Earlier concerns about QualMed, the District's health insurance provider, have subsided due to the re-establishment of the doctor's service provider panel. However, administrative errors by QualMed continue to be a burden to Human Resources and Finance Departments staff. Human Resources and Finance have developed a cross-functional team to work with the administrative areas of LTD's benefit plans.

Retirements—Recent retirements have included bus operators Bobby Ray Osborne, after 20 years of service to LTD, Dexter Kuykendall, with 26 years of service to LTD, and Robert Mosley who, unfortunately, has retired due to a disability. We express our gratitude for their service to our community and wish them happiness in their retirements.

Risk Specialist Gayle Howard continues to abate potential ergonomic hazards with the consultation of Ric Watson of Facilities Solutions, through the purchase of special chairs, cushions, and other devices designed to ameliorate ergonomic risks. This continues to be an important risk concern due to recent actions by OSHA in the area of ergonomic risk enforcement.

Risk and Safety Specialist Gayle Howard attended the first Transit Safety Institute. The first class was the Fundamentals of Bus Accident Investigation course, which is the first of the five courses needed to receive the Transit Safety and Security Specialist certification, as part of the Transit System Security training.

Early in March, Risk and Safety Specialist Gayle Howard reviewed the new route that is being considered for a new bus station at Lane Community College. A 40-foot bus was

driven through the new area to determine if there might be turning radius issues or other safety issues. No problems were encountered.

Safety—Instructional Program Coordinator Vern Rogers and Risk and Safety Specialist Gayle Howard have continued their discussions about how to reduce bus accidents. They also are considering ways to integrate first aid and CPR training into the schedule.

The Accident and Route Review Safety Committee met on April 2, 1999. The following table is a record of accidents and incidents that occurred during February 1999 and the year-to-date (YTD) totals.

MONTH	ACCIDENTS	INCIDENTS	DEFENSIVE TECHNIQUES USED	DEFENSIVE TECHNIQUES NOT USED
Feb. 1999	11	7	11	7
YTD Totals	15	10	15	10

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: BOARD MEMBER REPORTS

PREPARED BY: Jo Sullivan, Executive Secretary

ACTION REQUESTED: None

BACKGROUND: Board members have been appointed to the Metropolitan Policy Committee (MPC), and on occasion are appointed to other local or regional committees. Board members also will present testimony at public hearings on specific issues as the need arises. After meetings, public hearings, or other activities attended by individual Board members on behalf of LTD, time will be scheduled on the next Board meeting agenda for an oral report by the Board member. The following activities have occurred since the last Board meeting:

- a. **MPC:** MPC meetings generally are held on the second Thursday of each month. However, the April 8 MPC meeting was canceled for lack of agenda items. At the Board meeting, LTD's MPC representatives Pat Hocken and Rob Bennett can respond to any general questions the Board may have about MPC activities.
- b. **Statewide Livability Forum:** Board member Pat Hocken has been asked to participate on a statewide committee called the Livability Forum as one of 12 participants from the Eugene/Springfield area. This committee has been meeting once every six months; the next meeting is scheduled for May 11, 1999. Ms. Hocken will report to the Board on the Forum's activities as they occur.
- c. **BRT Steering Committee / Public Design Workshops / Walkabout Input:** Board members Pat Hocken, Rob Bennett, and Kirk Bailey are participating on LTD's BRT Steering Committee with members of local units of government and community representatives. The Steering Committee last met on April 6. At the April 21 Board meeting, Committee Chair Rob Bennett and the other LTD Board representatives can report to the Board about this committee's activities.
- d. **Springfield Station Steering Committee:** The Springfield Station Steering Committee last met on March 18, and did not meet in April.

The next meeting is tentatively scheduled for May 20, 1999. LTD Board members Dave Kleger and Hillary Wylie are participating on this committee with representatives of other local units of government and the community, and former Board member Mary Murphy as committee chair. At the April 21 Board meeting, Mr. Kleger and Ms. Wylie can provide a brief report and respond to any questions about this committee's activities to date.

- e. **North End Scoping Group**: The mayor of Eugene has formed a group called the North End Scoping Group, to bring together the major stakeholders in the north downtown Eugene area to discuss what could be done to improve the area that includes the train station, 5th Street Market, and the new federal courthouse. Board member Dean Kortge is participating as the Board's representative. The most recent meeting was on April 20, and the group will meet again on May 4. At the April 21 Board meeting, Mr. Kortge can report on this group's discussions.
- f. **Joint Meeting with Eugene City Council**: At the April 21 Board meeting, Board members will have an opportunity to discuss their April 12 joint meeting with the Eugene City Council.

ATTACHMENT: None

PROPOSED MOTION: None



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DRAFT: March 17, 1999
Bus Rapid Transit Pilot Corridor
Goals and Performance Objectives

Bus Rapid Transit Overview

Bus rapid transit (BRT) is a concept to use buses to emulate the positive service characteristics and image of a rail system. The system is intended as a cost-effective major upgrade in transit service that is appropriate for the size and characteristics of the Eugene/Springfield community, works well with the community's other transportation and land use strategies, and will provide increasingly important benefits into the future.

The system is composed of high-frequency, fast bus service along the major corridors, and small-bus neighborhood service that connects with the corridor service at neighborhood activity centers. The BRT corridor service, as proposed, eventually would be implemented on many major arterials within the community. An east-west alignment, extending from east Springfield to west Eugene, has been selected as a pilot corridor.

Bus Rapid Transit Design Elements

Corridor Service

- ❑ Use exclusive bus lanes or bus guideways.
- ❑ Provide transit signal priority at signalized intersections.
- ❑ Use wider stop spacing (approximately every half-mile).
- ❑ Improve stops and stations and provide a higher level of passenger amenities.
- ❑ Use prepaid fares.
- ❑ Provide 10-minute service during weekday daytime.
- ❑ Use vehicles for the pilot corridor service that convey a "rail-like" image, are environmentally friendly, and facilitate fast and efficient passenger boarding and debarking.

Neighborhood Service

- ❑ Provide convenient neighborhood service that connects with the corridor service at neighborhood activity centers.

- ❑ Use vehicles for the neighborhood connector service that are no more than 30 feet in length, are environmentally friendly, and meet accessibility requirements for varied boarding situations.
- ❑ Continue to provide direct access to major activity centers (such as downtown Eugene) from nearby neighborhoods.
- ❑ Consider a connecting shuttle route to facilitate access from the BRT service to major destinations within the greater Eugene Downtown “neighborhood.”

Goals and Performance Objectives

Goal 1: Improve bus travel times, service reliability, rider comfort and convenience, and the image of the service in order to achieve an increase in the transit market share of trips along the BRT pilot corridor

- Increase peak-hour, peak-direction transit market share (the percentage of trips taken by transit) along the pilot corridor by at least 40 percent within five years (e.g., from 10 percent to 14 percent of all person trips along the corridor), and by an additional 10 percent during the following five years.
- Reduce peak-hour bus travel time along the corridor by at least 20 percent within five years and by an additional 10 percent within the following five years, compared with running times that would have occurred without BRT.
- Show no significant increase in bus travel times from year to year.
- Improve bus travel times to at least match car travel times along the pilot corridor within 10 years of BRT implementation.
- Reduce vehicle emissions along the pilot corridor compared with levels that would have occurred without BRT.
- Achieve 99 percent on-time performance for BRT service along the pilot corridor.
- Improve LTD approval ratings of “good” or “excellent” in community surveys by at least 10 percent within five years of BRT implementation.

Goal 2: Reduce the operating cost for transit service along the pilot corridor.

- Reduce the annual direct operating cost for service along the corridor by at least 10 percent during the first five years and by 15 percent thereafter, compared with costs that would have been required for an equivalent level of non-BRT service.

Goal 3: Increase the person-carrying capacity of the corridor.

- Increase the carrying capacity of the corridor by 30 percent with the implementation of BRT.

- Develop a system that will facilitate future conversion to rail or other higher-capacity transit mode, if and when such a change becomes feasible.

Goal 4: Design the BRT service to support planned land use patterns.

- Provide convenient service to land use nodes along the pilot corridor, both those currently identified and those planned for the future.
- Provide convenient access to major activity centers along the pilot corridor, such as downtown Eugene, downtown Springfield, and the University of Oregon.

Goal 5: Where feasible, incorporate “non-transit” enhancements as part of the BRT project, including improvements in traffic safety, traffic flow, bicycle and pedestrian facilities, and aesthetics.

- Consider improvements to bicycle facilities along the pilot corridor.
- Provide bicycle parking at all BRT stops.
- Consider the addition of sidewalks adjacent to the BRT service where they now do not exist.
- Work with state and traffic engineers to identify possible improvements to traffic safety and traffic flow along the pilot corridor.
- Add landscaping along the BRT line, where appropriate.
- Consider including fiber optics or other communication and utility upgrades as part of the pilot corridor construction.

Implementation Guidelines

In meeting the project goals, the design for the pilot corridor should carefully consider the following guidelines:

- Minimize costs.
- Minimize right-of-way acquisition.
- Do not create unacceptable pedestrian, bicycle, or traffic safety situations.
- Minimize adverse impact to businesses along the pilot corridor.
- Minimize adverse impacts on residences along the pilot corridor.
- Do not create substandard traffic congestion where it otherwise would have not occurred.
- Minimize loss of parking.
- Minimize impact on movement of freight.
- Do not reduce needed auto capacity along the pilot corridor.
- Do not decrease access for persons with disabilities.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: CONSENT CALENDAR

PREPARED BY: Jo Sullivan, Executive Secretary

ACTION REQUESTED: Approval of Consent Calendar Items

BACKGROUND: Issues that can be explained clearly in the written materials for each meeting, and that are not expected to draw public testimony or controversy, are included in the Consent Calendar for approval as a group. Board members can remove any items from the Consent Calendar for discussion before the Consent Calendar is approved each month.

The Consent Calendar for April 21, 1999:

1. Approval of minutes: March 15, 1999, special Board meeting
2. Approval of minutes: March 17, 1999, regular Board meeting

ATTACHMENTS:

1. Minutes of the March 15, 1999, special Board meeting
2. Minutes of the March 17, 1999, regular Board meeting

PROPOSED MOTION: I move that the Board adopt the following resolution: It is hereby resolved that the Consent Calendar for April 21, 1999, is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: COMPREHENSIVE SERVICE REDESIGN

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: None

BACKGROUND:

Following the March Board meeting, staff reviewed the issues raised by the Board, discussed technical questions with Nelson Nygaard staff, and continued an analysis of productivity standards. This work has led staff to recommend a revised timeline to guide the process. It appears the Board needs time to fully discuss and come to consensus around the issue of LTD's role in the community and the fundamental relationship between service and fares.

The following chart summarizes the concerns and issues staff have identified.

Concern	Issues
District projects are competing for staff and Board attention.	BRT Springfield Station Downtown shuttle Y2K Scheduling and runcutting software New General Manager selection Union contract negotiations
Board has not reached consensus on fundamental issues of service and fare policy.	Analysis necessary to provide new productivity standards will take considerable time. Processes to fully discuss these changes will take time away from planning and input process.
Staff believe public input is necessary before productivity/coverage decisions are made by the Board.	An input process using community stakeholders may divert energy and attention away from the BRT process. The amount of time available for a thorough general public process may not be adequate.

Public support for BRT may be threatened.	Public assumes the changes are to accommodate BRT. If the CSR were to result in significant ridership losses or impacts, then the public may question the BRT investment.
The BRT timeline has advanced to a point where current system changes must be coordinated.	Changes implemented in September 2000 would need to be changed again to accommodate the pilot corridor.
Staff have not articulated the CSR goals well enough.	The Board may not agree with these goals.

After a review of the Board calendar for the next several months, it appears that the first available time the Board can hold an additional work session is in late June. Staff recommend that a Board planning session be arranged at that time. A facilitated discussion will assist the Board in moving through the issues and coming to consensus. Provided the June session answers the Board's questions, a two-step implementation schedule will begin. The following chart outlines this schedule:

June 1999	Board planning session: facilitated session to analyze the productivity/coverage question and to create a consensus on a preliminary plan for resource allocation. Fare policy will be included in this discussion.
July – August 1999	System analysis completed and productivity standards revised.
September – December 1999	Ferry Street Bridge sector analyzed, public input process (modified stakeholder) implemented, and changes recommended for ARR 2000.
January 2000 – December 2000	Remaining system changes prepared.
September 2001	Implement remaining CSR changes.

ATTACHMENT: None

PROPOSED MOTION: None



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**LTD/EMPLOYEE ASSOCIATION PROPOSAL
ON REALIGNMENT OF BENEFITS
April 21, 1999**

Background

In October 1998, the administrative employees of LTD asked AFSCME union organizers to withdraw AFSCME's petition for a union election, and in the alternative, accepted the LTD suggestion to form an unaffiliated employee association. The purpose of the employee association is to form an employee council of elected representatives of the employees to communicate their concerns to management. This was accomplished shortly after the withdrawal of the unionization petition to the Employment Relations Board of Oregon.

The newly-elected Employee Council, in conjunction with the Human Resources Department, conducted a survey from among administrative employees to determine what the primary concerns of employees were with regard to employment conditions. Retirement was determined to be the most pressing need for improvement as suggested by the employees. Employees strongly indicated a preference to move to the Oregon Public Employees Retirement System (PERS) or something "PERS like." The District management determined that PERS was not a good alternative due to the public perceptions of PERS.

The Human Resources Department evaluated the benefits provided administrative employees and determined that savings could be achieved with benefit reductions or realignments. The Employee Council and management, through a series of discussions, arrived at agreement on changes to be made to the benefit plan for LTD administrative employees. The Management Team and the General Manager have endorsed these recommendations. The discussions with the Employee Council have resulted in the following recommendations to the Board of Directors:

Employee Council /LTD Management Proposal

Life Insurance – Currently, life insurance is equivalent to two times the employees' annual pay. This benefit results in excess tax because the benefit exceeds the limit permitted by the IRS (\$50,000). The present annual cost to LTD for this benefit is \$53,708.04.

- ◆ **Recommendation: Reduce the maximum benefit to \$50,000. Provide an opportunity for employees to self pay and purchase additional coverage. Cost to the District is \$42,460.56, resulting in savings annually of \$11,247.48.**

Long-Term Disability Insurance – Presently, the District's policy will provide 70 percent replacement of employee income in the event of disability, a 4 percent annual adjustment to the benefit, and an unlimited mental health disability benefit until the age of 65 for the disabled employee. The current annual cost to LTD for this benefit is \$47,656.68.

- ◆ **Recommendation: Reduce the benefit to 60 percent replacement of employee income, 3 percent annual adjustment of the benefit and limited (24 months) mental health benefit. Cost to the District is \$25,349.28, resulting in annual savings of \$22,307.40.**

Supplemental Benefit – Currently, the District provides each administrative employee \$800, which may be directed by the employee to either a deferred compensation account or a Section 125 cafeteria plan for day care or medical expense reimbursement. The present annual cost to LTD for this benefit is \$61,600.00.

- ◆ **Recommendation: Eliminate this benefit, for annual savings of \$61,600.00.**

The total savings from these three benefit reductions are \$95,154.48.

These recommended savings were then redirected to the retirement plan for the employees. The existing retirement plan is a defined benefit plan. The primary elements of the current retirement plan are:

- ◆ The retirement age for the plan is 62.
- ◆ The calculation formula for the benefit is equal to 1.67 times the years of benefit service, to result in a percent of the average final compensation. The benefit provides variable results. For lower-paid employees, the retirement benefit, when combined with social security, will result in more than 75 percent replacement of income. More highly compensated employees will have lower replacement of income retirement benefits (as low as 61 percent of final income).
- ◆ The current plan provides no cash value or employee account for the benefit of employees if the value exceeds \$5,000.
- ◆ The retirement plan has no benefit to dependents in the event of death for a plan participant under the age of 55.

During the next fiscal year, the cost of the current retirement plan to the District is projected to be \$265,320.92.

The District has agreed to support modifications to the existing retirement plan with the Board of Directors as follows:

- ◆ The retirement age for the plan will be reduced to age 60 or thirty years of consecutive service.

- ◆ The defined benefit will equalize the retirement benefit to replacement of 75 percent of final average earnings when combined with the expected Social Security Benefit of the employee.
- ◆ The employee will have a defined contribution (employee account, to be directed as to investment and risk by the employee) in the plan equal to 6 percent of the gross earnings of the employee. This will make the LTD retirement plan more transportable to other retirement plans, in the event an employee leaves LTD, and more comparable with Oregon PERS.
- ◆ The revised retirement plan will provide a death benefit to beneficiaries equal to the accrued benefit of the plan participant payable as an annuity for a 10-year period.

The Board Human Resources Committee previously was presented information that indicated a 3 percent base salary adjustment for 1999-2000. Because Oregon law does not permit a mandatory employee contribution to retirement, the proposed salary increase was eliminated, and the District will contribute the 6 percent retirement contribution in the defined contribution portion of the retirement plan.

The total cost for the improvements to the defined benefit plan is \$326,284.63, which is an increase of \$60,963.71. The new employee account (defined contribution portion of the retirement plan) will result in a cost of \$206,074.50.

The net cost (which includes the identified savings stated above) for these total changes is \$171,883.73.

With no base salary adjustment (which was projected at 3 percent or \$103,037.25), the benefit cost increase would be \$68,846.08.

AGENDA ITEM SUMMARY – LTD Board of Directors

- DATE OF MEETING:** April 21, 1999
- ITEM TITLE:** Administrative Employee Benefit and Retirement Changes
- PREPARED BY:** David Dickman, Human Resources Manager
- ACTION REQUESTED:** Adoption by the Board of Directors of the Plan as contained in the attached description.
- BACKGROUND:** In October 1998, the administrative employees of LTD asked AFSCME union organizers to withdraw its petition for a union election, and in the alternative, accepted the LTD suggestion to form an unaffiliated employee association.
- The human resources department evaluated the benefits provided administrative employees and determined that savings could be achieved with benefit reductions or realignments. The Employee Council and management, through a series of discussions, arrived at agreement on changes to be made to the benefit plan for LTD administrative employees. Employees strongly indicated a preference to move to the Oregon Public Employees Retirement System (PERS) or something "PERS like." The District management determined that PERS was not a good alternative due to the public perceptions of PERS. The Management Team and the General Manager have endorsed these recommendations.
- RESULTS OF RECOMMENDED ACTION:** The District will make changes to benefits in life insurance, long term disability, supplemental benefit and the Salaried retirement plan. Salaried employee retirement will be changed improving the formula of the defined benefit, introducing a defined contribution element, reducing retirement age to age 60 or 30 years of service and providing for death benefits to participants.
- ATTACHMENT:** LTD/Employee Association Proposal on Realignment of Benefits.
- MOTION:** I move to accept the recommendation of the Human Resources Committee and for the Board to approve these benefit reductions and retirement plan improvements as contained in the attached summary

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: MAY 1999 EMPLOYEE OF THE MONTH

PREPARED BY: Jo Sullivan, Executive Secretary

ACTION REQUESTED: None

BACKGROUND: **MAY 1999 EMPLOYEE OF THE MONTH:** Bus Operator Diann Sheldon has been selected as the May 1999 Employee of the Month. Diann was hired on August 19, 1996. In November 1997, she was selected for the position of bus operator instructor, and currently teaches the Personal Injury Prevention segment of new operator training. In 1998, she achieved excellent attendance, two years of safe driving, and two years of correct schedule operation (CSO). Diann was nominated by customers for always being friendly and helpful. One customer stated that Diann handles instances where customers ask for exceptions to bus rules or policy very well, explaining why the policy is in place in a diplomatic way. In fact, the customer noted, Diann is a diplomat with even the most difficult customers, and quite an asset to LTD.

When asked what makes Diann a good employee, Field Supervisor Kay Kinnish said that Diann's selection as Employee of the Month came as no surprise to him. He said that she always has a positive attitude and is helpful and happy. He described her as a contributor at LTD: she is involved with LTD's Y2K project and is an instructor, providing a professional example for new operators and co-workers. Instructional Program Coordinator Vern Rogers added that Diann is appreciated by her students as an enthusiastic, helpful trainer, and that he appreciated her cooperation, kind words, and encouragement. In fact, because of her enthusiasm and positive outlook, she recently was chosen as a mentor/coach in a mentoring program for new employees.

AWARD: Diann will attend the April 21 meeting to be introduced to the Board and receive her award.

MONTHLY FINANCIAL REPORT COMMENTS

April 21, 1999

Revenue:

- **Passenger fares** are slightly ahead of plan year-to-date, and ahead of the previous year by 4.7 percent.
- **Group pass revenue** is on track for the first nine months.
- **Operating revenue** overall is strong, with the minor exception of advertising (down slightly due to the reduction in advertising space on buses).

Expense:

- **Administration personnel** expenses have increased over the prior year for several reasons:
 - ◆ The implementation of a new salary schedule last year resulted in the opportunity for all but two administrative employees to earn merit increases that became effective in July. Last year, the majority of administrative employees were at 100 percent of their authorized pay ranges.
 - ◆ Administrative employees were given a 1.7 percent cost of living adjustment in July. In addition, the cost of health insurance coverage increased 8 percent.
 - ◆ Three new positions funded by the General Fund were added in July. These positions were among those approved in the FY 1998-1999 adopted budget. In addition, one position vacancy was filled at a higher rate of pay than the previous incumbent earned. Additional planned positions were added in August.

Although administrative wage expense is higher than last year, expenses year-to-date are nearly exactly as planned and approved in the current-year budget. Wage expense is watched closely through the year.

- **Contract personnel** (employees represented by ATU) expenses increased due to the increase in the cost of health insurance, and the implementation of a 3 percent wage increase in accordance with the current ATU contract. Additional bus operators approved in the current-year budget were added in August.
- **Materials and services** expenses are generally as budgeted for the year-to-date.

Capital revenue lags expenses due to pending approval of a grant contract with FTA for a grant that already has been approved. The Oregon Transportation Infrastructure Fund loan, which was intended to fund a signal prioritization project, has been terminated due to a change in project timing. (The project has been merged with the BRT corridor project.) No funds were ever drawn against this loan.

Capital expense through the first nine months of the fiscal year are as planned. The bus purchase in the first half of this year is the major contributor to total expenses.

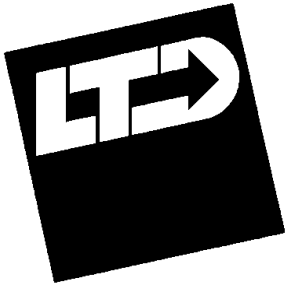
AGENDA ITEM SUMMARY

- DATE OF MEETING:** April 21, 1999
- ITEM TITLE:** ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING
- PREPARED BY:** Jo Sullivan, Executive Secretary
- ACTION REQUESTED:** None at this time
- BACKGROUND:** The action or information items listed below will be included on the agenda for future Board meetings:
- A. **Budget Committee Meetings:** Budget Committee meetings have been scheduled for Wednesday, April 28; Thursday, April 29; and Wednesday, May 5.
 - B. **FY 1999-2000 Fare Ordinance:** The second reading and adoption of an ordinance setting the fares for FY 1999-2000 will be scheduled for May 19, 1999.
 - C. **Meetings with Springfield City Council:** The LTD Board and Springfield City Council will hold a joint work session at LTD on Saturday, May 1, from 8:30 a.m. until noon. A second joint work session has been scheduled for Springfield City Hall on Monday, May 17, from 6:00 to 7:00 p.m.
 - D. **Origin & Destination Study Results:** Results of the District's Origin & Destination Study will be discussed with the Board at a work session in May or June.
 - E. **Special Service Policy Update:** Staff will bring an update of the District's Special Service Policy to the Board for approval at the May 19, 1999, meeting.
 - F. **Springfield Station Finalist Sites:** A request to conduct an environmental assessment on finalist sites for the Springfield Station will be brought to the Board at the May 19, 1999, meeting.
 - G. **Adoption of Fiscal Year 1999-2000 Budget:** Following approval of the proposed budget by the LTD Budget Committee, the FY 1999-2000 budget will be on the agenda for adoption by the Board at the June 16, 1999, regular meeting.
 - H. **TransPlan Work Session and Draft Plan Approval:** The Draft TransPlan will be brought to the Board as an information item at the June 14, 1999, work session. Approval of the Draft TransPlan is anticipated to occur during October 1999.

- I. **Review of Bus Designs:** A comprehensive review of current bus designs will be scheduled for June or July.
- J. **Follow-up Work Sessions:** Various work sessions to discuss pending issues as a result of the Board's October 10-11 strategic planning work session will continue to be scheduled throughout the coming year.
- K. **Medical Reimbursement Account:** At a future Board meeting, staff will discuss a proposal for administrative employees to use accumulated sick leave toward payment of medical benefits between ages 62 and 65. This is similar to an agreement reached with the District's union employees during the most recent contract negotiations.
- L. **Board Review of Tobacco Use at District Facilities:** At its March 18, 1998, meeting, the Board requested that staff place the issue of smoking at District facilities on the agenda for a future meeting. Issues of smoking at District facilities other than the Eugene Station will be brought to the Board at a future meeting.
- M. **BRT Updates:** Various action and information items will be placed on Board meeting agendas during the design and implementation phases of the bus rapid transit project.
- N. **Quarterly Performance Reporting:** Staff will provide quarterly performance reports for the Board's information in February, May, August, and November each year.

AGENDA ITEM SUMMARY – LTD Board of Directors

- DATE OF MEETING:** April 21, 1999
- ITEM TITLE:** GENERAL MANAGER SUCCESSION PLAN
- PREPARED BY:** David Dickman, Human Resources Manager
- ACTION REQUESTED:** Adoption of the proposed General Manager Succession Plan
- BACKGROUND:** Consultant Susan Philips, Human Resources Manager David Dickman, and General Manager Phyllis Loobey assisted in the development of the attached draft succession plan. With the pending retirement of the current general manager, Lane Transit District must begin an orderly transition to new executive leadership. The attached plan envisions a process of broad stakeholder input, the services of an executive search firm, and the active involvement of the Board of Directors.
- The attached plan is Part One of the Succession Plan and takes LTD to the point of narrowing the field of potential candidates. Part Two will be presented for future consideration by the committee and the Board of Directors.
- The Board heard a presentation on this plan during their March business meeting. The Board's Human Resources Committee reviewed this plan in March, and on April 12 voted to recommend the plan to the Board of Directors for adoption in April.
- RESULTS OF RECOMMENDED ACTION:** The Board having received an overview presentation of this plan and the Human Resources Committee recommending approval of the plan, the Board may raise final questions and entertain a motion to adopt the General Manager Succession plan as attached. The Board President, upon adoption, should appoint a Search Process Steering Committee, as called for in the plan.
- ATTACHMENT:** Succession Plan
- MOTION:** I move the following resolution: It is hereby resolved that the LTD Board of Directors adopts the proposed General Manager Succession Plan.



Lane Transit District
Proposed Plan
General Manager Succession

April 21, 1999

Background

On June 30, 2000, Lane Transit District will undergo a leadership change that has not occurred for 21 years – literally a generation ago. LTD has enjoyed a continuity of leadership that has been a stabilizing influence while still progressively advancing the mission of the District. The result has been mature and visionary decision-making and an organization that is anything but stagnant. By this date next year, the Board of Directors may have selected a new general manager and the operational leadership will begin a transition to a new era for Lane Transit District. It is the view of the Board of Directors, the staff and employees, and indeed the entire community of stakeholders of Lane Transit District that we have some very large shoes to fill with the retirement of General Manager Phyllis Loobey. The success and accomplishments of Lane Transit District in becoming a nationally recognized leader of public transit can, in large measure, be attributed to the leadership and drive of General Manager Loobey.

The process of replacing this general manager is one that requires a national-level search and incorporates broad community participation to the greatest extent possible. In addition, this plan must meet an expected timetable in order to provide that a replacement is in place by July 1, 2000. Because top-quality candidates require time to transition (resigning current positions and relocating), the Board of Directors' plan envisions that a decision be made to finalize its selection no later than March 31, 2000. This will provide the greatest possible transitional information exchange possible, as we move from one general manager to the next. This succession plan is designed to meet these important values.

Phase One – Plan Establishment and Process

Period: March 1999 Board Meeting

During the March meeting of the Board of Directors, this Succession Plan will be reviewed, modified (if necessary), and adopted. The elements of this phase include:

Board Action

The Board of Directors shall establish itself as the General Manager Search Committee (a committee of the whole).

- ◆ General Manager Search Process Steering Committee: The Board will appoint an ad hoc Board committee charged with carrying out elements of the succession plan. The current general manager shall be appointed as a non-voting, ex-officio member of the Search Process Steering Committee. The human resources manager will staff the activities of the search process.

- ◆ The Board of Directors will assign the general manager to delegate various other administrative responsibilities for executing and securing the success of the plan.
- ◆ The Board will review and comment on a preliminary proposed budget for transition, to ensure inclusion in the FY 1999-2000 LTD budget.

Project Budget (contained in the Human Resources Department budget):

\$100,000	<i>The expenses listed below are estimates and not-to-exceed costs.</i>
35,000	Search Firm Consulting Costs
15,000	Supplemental Advertising Costs
20,000	Various travel expenses for candidates and consultants
5,000	Legal costs – contract review
2,500	Stakeholder involvement
15,000	Relocation expenses
7,500	Miscellaneous

- ◆ The Board will issue a press release announcing the adoption of the Succession Plan and intent of the Board to gather community input.

Phase Two – Information Gathering and Stakeholder Input

Period: March through May 1999

The Board of Directors understands the importance that this position holds with regard to the stakeholders of the District. The Board also is interested in gathering information from stakeholders who can assist the Board in its process of selecting a new general manager. The Process Steering Committee will, therefore, hold a number of information-gathering meetings. The Plan identifies six meetings, but the Steering Committee may hold additional meetings as it determines are necessary. The Process Steering Committee will report to the General Manager Search Committee its activities in pursuit of this Plan. The elements of Phase Two are to be concluded and reported to the Board by the May 1999 Business Meeting of the Board of Directors of Lane Transit District. The elements of Phase Two include:

Board Action Needed

During the April 1999 meeting of the Board of Directors, the Board will adopt a motion to issue a Request for Proposal for an Executive Search Firm, to be carried out by the human resources manager of the District.

Ad hoc Subcommittee Action Needed

- ◆ Stakeholder information-gathering meetings with employees of Lane Transit District. This may take the form of several different meetings based upon employee sub-grouping (i.e., ATU and Employee Association employees).
- ◆ Stakeholder information-gathering meeting with representatives of the Chambers of Commerce and District taxpayers.
- ◆ Stakeholder information-gathering meeting with representatives of local units of government.
- ◆ Stakeholder information-gathering meeting with the District Management Team.
- ◆ General Manager Search Process Steering Committee will review and issue the Search Firm Request for Proposals and Qualifications.

Period: May and June 1999

The staff to the Search Committee will provide data, drafts, and resources to assist the Board during its work in May and June (facilitated by David Dickman, District Human Resources Manager and Susan Philips, Board Strategic Plan and Organizational Development Consultant). The meeting of the Search Committee during the May and June work sessions of the Board of Directors should accomplish the following tasks:

Board Work Session Tasks:

- ◆ Receive a report from the Process Steering Committee on the stakeholder input process.
- ◆ Possibly select a firm during the May meeting of the Board of Directors.

The following tasks can be accomplished in a special facilitated workshop (suggested by consultant Susan Philips) staffed by Human Resources Manager David Dickman:

- ◆ Identify the desired qualifications, experience, and qualities being sought by the Board of Directors.
- ◆ Review, revise, and approve a Job Description for the General Manager.
- ◆ Consider and establish the criteria and principles important to the Board for the selection of a new general manager (such as compensation, benefits, and ancillary personnel costs).

General Manager Search Process Steering Committee actions needed:

- ◆ Identify and contact key community business leaders to serve on the Community Executive Advisory Committee.

Phase Three – Candidate Search**Period: July 1999 through September 1999**

The Board of Directors (Search Committee), having received much input and having defined the requirements of the new general manager, will now be in a position to meet with their selected executive search firm and the human resources manager to commence the process of recruitment. The Board will need to finalize some arrangements with the exiting general manager. The Board of Directors (Search Committee) also will further integrate the community into the search process by appointing a Community Executive Advisory Committee. In this phase, the District and the search firm will identify a pool of candidates, narrow the field, and commence review of finalists.

Period: June 1999

The Human Resources Committee of the Board of Directors, assisted by the human resources manager (as needed) and the Board's Counsel, will negotiate the final contract between General Manager Phyllis Loobey and Lane Transit District.

- ◆ Review and adopt a new Personal Services Contract for General Manager Loobey.
- ◆ Meet with the representatives of the executive search firm and review the process to date and the information gathered thus far by the Board, and set the expectations of the search.

Period: July 1999**Board Action Needed:**

- ◆ The Board of Directors will appoint the Community Executive Advisory Committee. The Board will appoint the Chair of the Search Process Steering Committee to the Community Executive Advisory Panel (and any other Board members who have an interest).
- ◆ The Board will continue its review of stakeholder input to date.

- ◆ The Board will formally delegate and authorize the General Manager Search Process Steering Committee and the human resources manager to negotiate the new general manager's contract following selection by the Board of Directors.

General Manager Action Needed:

- ◆ On July 1, 1999, General Manager Phyllis Loobey will submit a written and irrevocable notice of intent to resign and retire from her position, effective June 30, 2000, to the President of the Board of Directors.

Board Action Needed:

- ◆ The Board will accept the resignation for the indicated effective date.
- ◆ The Board will issue a press announcement concerning the pending retirement of the District general manager. The Board will highlight for the press the community involvement undertaken to this point.
- ◆ The Board will publicly announce the search for a replacement of the general manager and direct open recruitment for the position.
- ◆ The Board of Directors will meet with the Community Executive Advisory Committee to review community input to date, receive information from the Community Executive Advisory Committee, and solicit their further recommendations.

Period: August 1999

Executive Search Consultants continue their search.

Period: September 1999

The executive search firm will narrow the applications to a number agreed upon by the Board of Directors. The Community Executive Advisory Committee will provide input to the Search Committee regarding the selected candidates. The Search Committee will review the candidates from the executive search firm with the comments from the Community Executive Advisory Committee and narrow the field to a set of finalists. The finalists will be determined in Executive Session of the Board of Directors in the September 1999 meeting of the Board of Directors.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: WORK SESSION—PREPARATION FOR MAY 1 JOINT WORK SESSION WITH SPRINGFIELD CITY COUNCIL

PREPARED BY: Phyllis Loobey, General Manager

ACTION REQUESTED: None

BACKGROUND: A joint LTD Board/Springfield City Council work session has been scheduled for Saturday, May 1, from 8:30 a.m. until noon, in the LTD Board Room. The purpose of this joint meeting is to discuss bus rapid transit. Staff have scheduled time at the 5:30 p.m. work session portion of the April 21 Board meeting to discuss preparations for the May 1 joint work session.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: LEGISLATIVE UPDATE

PREPARED BY: Linda Lynch, Government Relations Manager

ACTION REQUESTED: No action is requested on this report, but Board members will be asked to make some telephone calls about individual legislative measures.

BACKGROUND: It is as true this month as it was last month that no issues have been resolved at the state legislature. Some of the battle lines are more clear, but progress this session is very slow. The lack of substantive progress has not deterred legislators from placing any number of issues before the body to consider. For transit these include:

Senate Bill 1090 – would make the LTD and Tri-Met boards elected. Introduced by Sen. Tom Wilde (D-Portland) at the request of the Oregon Association of Realtors, the impetus for this bill apparently comes from a Springfield realtor.

Senate Bill 859 – would require that 20 percent of all transit routes be put out to competitive bid each year and that by the sixth year, 100 percent of service would be competitively bid. The bill describes in great detail how a bidding process would work, but never addresses the substantive issues of hours of service, standards of service, employee qualifications, equipment and safety standards, or Federal Americans with Disabilities Act (ADA) requirements. Union opposition to the measure has so far kept the bill from being heard.

Senate Bill 640 – would make enough changes to the employment statutes that it would be difficult, if not impossible, for the District to provide special event service. Other provisions of the measure have a potential cost to the District of more than \$300,000 per year.

Senate Bill 764 - Several measures in both the House and the Senate have been introduced to increase funding for transportation for the elderly and disabled. These measures would supplement the income from two cents of the cigarette tax and essentially would be passed through the District to Lane Council of Governments, which administers contracts for provision of special transportation services.

Currently, negotiations appear to be progressing in the Senate that would provide \$10 million from the state general fund in the next biennium beyond the cigarette tax revenues for these services. Efforts to move the program from ODOT to another state agency appear to have ended. While this is generally good news, the “deal” is not yet done. The chief sponsor of Senate Bill 764 – the bill that is being amended to govern any new expenditures – is very determined that Tri-Met, LTD, Salem Area Mass Transit, Rogue Valley Transportation District, and transportation districts in Benton and Klamath counties **not** be the primary recipients of these funds.

The last but even more significant issue with this proposal is that the funds come from the general fund, meaning that it is not a permanent funding source, and the need will have to be addressed again in 2001.

House Bill 3524 – would trim the taxing district by narrowing the distance from a route that could be included in the district. The measure was introduced by Rep. Karen Minnis (R-Wood Village) because of a dispute between a single business owner and Tri-Met. While Tri-Met has been able to provide her with the information she has requested and has attempted to provide the desired level of service, it is unclear whether or not she will continue to push the bill. The potential impact to LTD is estimated to be about \$175,000 per year in reduced revenue.

Senate Bill 1121 – abolishes the Department of Transportation and creates a Highway Department with a Highway Commission. The director would be appointed by the governor and confirmed by the Senate. The bill moves the Divisions of Motor Vehicles and Transportation Safety to the Department of Revenue. It moves the Public Transit and Motor Carrier Divisions to the Department of Business and Consumer Affairs, creates an Aviation Department and State Aviation Board, and moves railroads to the Public Utility Commission. There is probably not a long future for this measure, and some consider its 172 pages a waste of resources, but it accurately reflects many legislators’ frustrations with ODOT.

Other – Progress on a general roads finance package has stalled over a debate on whether to repeal the state’s weight mile tax for heavy vehicles (everything over 8,000 pounds). While it is a difficult tax to administer, and only five states have anything similar, Oregon is credited with doing a good and efficient job of administering it, with a very low evasion rate. Because of the requirement that measures which raise taxes must have a three-fifths majority of both houses of the legislature, the gas tax and vehicle registration fee increases must have bipartisan support to succeed. As long as the weight mile tax issue is unresolved, there will be no progress on the roads finance piece.

There is bipartisan support to fund Willamette Valley Passenger Rail, but there is still no commitment from the leadership that it will be funded or at what level. The Department of Transportation budget has been heard and discussed but work sessions are not yet scheduled.

Legislative leadership continues to try to move the session along, asking that all bills that are going to progress have at least a first hearing in their original house by April 23, with work on those bills completed by May 10. These deadlines are artificial and subject to any number of variations, appeals, changes, or pure rebellion. However, the word is out that Senate President Brady Adams has put his July European trip plans on hold.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: 1999 ORIGIN AND DESTINATION SURVEY RESULTS

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: None

BACKGROUND: LTD conducts a comprehensive survey of current riders every four years. Due to the opening of the new Eugene Station in 1998, the O&D was delayed until 1999. For the first time, an outside consultant was hired to coordinate the survey. Selena Barlow was selected to perform this work. Senior Transit Planner Paul Zvonkovic staffed the project for LTD.

Data gathering occurred in January, data entry in February, and analysis in March.

Ms. Barlow will present survey findings to staff on April 20 and to the Board on April 21. At the Board meeting, LTD staff will offer initial reactions to findings and respond to Board requests for specific information. A more comprehensive staff report will be provided at a future Board meeting.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: FISCAL YEAR 1999-2000 PRICING PLAN AND FIRST READING OF AMENDED FARE ORDINANCE

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED:

1. Hold a public hearing on fare changes for Fiscal Year 1999-2000.
2. Hold the first reading of Eighth Amended Ordinance No. 35, which sets fares for Fiscal Year 1999-2000.

BACKGROUND: Following a public hearing at the March 1999 Board meeting, staff were directed to make the following changes to District fare structure:

1. Eliminate the evening fare discount, which will result in the same cash fare applying to all regular fixed-route service at all times;
2. Increase the price charged for group pass programs by 2.8 percent;
3. Increase the price of the RideSource and RideSource Escort fares from \$1.30 to \$1.50 per one-way trip;
4. Increase the price of the regular one-month adult pass from \$26 to \$28 and the three-month pass from \$60 to \$65;
5. Increase the price of the youth one-month pass from \$19.50 to \$21.00 and the three-month youth pass from \$45.00 to \$49.00; and
6. Increase the price of the child/senior/reduced fare one-month pass from \$13.00 to \$14.00 and the three-month pass from \$30.00 to \$32.50.

The fare changes must be implemented by ordinance. The first such ordinance, Ordinance No. 35, was adopted in June 1992. This will be the eighth amendment to Ordinance No. 35. The first reading of Eighth Amended Ordinance No. 35 will be held on April 21, 1999. The second reading and adoption of the ordinance is scheduled for the May 19 Board meeting. The Board can elect to read the ordinance by title only. Staff will have additional copies of the ordinance available for anyone in the audience who desires a copy.

Typically, RideSource riders receive a special notice of proposed changes in RideSource fares, but that notice did not occur before the March 17 public hearing. Therefore, the comment period was lengthened and an additional public hearing is being held at the April 21 meeting in order to allow input from RideSource riders. Attached are written and telephone comments received by the Lane Council of Governments (LCOG) regarding the recommended change in RideSource fares.

**CONSEQUENCES OF
REQUESTED ACTION:**

The second reading and adoption of the ordinance will be scheduled for the May 19, 1999, Board meeting. Following adoption, a copy of Eighth Amended Ordinance No. 35 will be filed with the County Clerk and made available for public inspection.

ATTACHMENTS:

- (1) Comments Regarding Proposed Changes in RideSource Fares
- (2) Eighth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services

PROPOSED MOTIONS:

I move that Eighth Amended Ordinance No. 35 be read by title only.

(Following an affirmative vote, the ordinance title should be read: **Eighth Amended Ordinance No. 35, An Ordinance Setting Fares for Use of District Services.**)

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: EXECUTIVE TRAINING – PACIFIC PROGRAM & APTA BOARD TRAINING

PREPARED BY: Mark Pangborn, Assistant General Manager

ACTION REQUESTED: None, Information Only

BACKGROUND: Two separate executive training opportunities for Board members are available in the next six months. The first is the American Public Transit Association (APTA) Board Member Seminar July 25-29, 1999, in Seattle, Washington. This annual meeting offers hands-on training for new and veteran transit Board members on roles and responsibilities, policy formulation, current transit issues, and meeting skills. Transit Board members from throughout the nation will attend and, since this meeting is in Seattle, it is as convenient for LTD as it will ever be.

The second training is the Pacific Program. This training is a seven-day, intensive executive training program for public policy makers and staff. The University of Oregon sponsors the training at the Inn at Otter Crest, normally during the first week of October. Thirty-five public councilors, board members, and staff meet in all-day and evening sessions to gain a greater understanding of the public policy formulation and implementation process and improve their skills in these areas. A faculty of national specialists from around the nation conducts the training. LTD staff and Board members have attended past sessions and have found them very valuable.

If any Board member is interested in this training, please contact Jo Sullivan for additional details.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: Adjustment to Pensions of Retired Administrative Employees

PREPARED BY: Mark Pangborn, Pension Trustee

ACTION REQUESTED: Board Approval

BACKGROUND: LTD maintains two retirement plans for its employees, one for union employees and one for administrative employees. Each plan is administered by a Board of Trustees. The Administrative Employee Pension Trust Board (AEPTB) consists of the LTD Board President and the General and Assistant General Managers. At their last meeting, the AEPTB approved a cost of living increase for all administrative pensioners who retired from LTD prior to July 1, 1997. The private pension plan

RESULTS OF RECOMMENDED ACTION:

ATTACHMENT:

PROPOSED MOTION:

Comments Received by LCOG Regarding Proposed Increase in RideSource
Fares
by Monday, April 12, 1999

March 26 - *Nola B. Mathers*

“Dear Sirs: Yes, I’m very satisfied with RideSource. I’m here in this area alone at 91½ & really do appreciate your service.”

March 26 - *as per telephone conversation with Terry Parker, LCOG*

“ Thank you. The personnel are lovely; the drivers and the people in the office are delightful – the nicest people. I send in to purchase tickets and get them back right away. I go over week for the past three years. It seems like the waiting time is now longer. I don’t like waiting for one hour. Last week was the 1st time I had to wait one hour. The price doesn’t bother me but realize that it will effect some other people.”

March 27 - *Margaret Merwin*

“I would certainly favor the increase if only I could ride, but since I am not permitted to use the facility, my vote is quite immaterial.”

March 28 - *Ruby L. Miller*

“LCOG SP Transp. Fares, The fare increase seems fair to me. I could not get to my Dr. appts. without RideSource. Let me know to whom I should write, in Salem, for more funding for RideSource. I will be glad to call and write.”

March 28 - *Zelda Payne*

“Forget it! It is enough now if one needs it at all. You get grant assistance also. I need this and use it for groceries every week; 80 cents - \$1.75 already in 3 years.” (Referring to RideSource Shopper) “Keep your increases for need not wages & health care! I do not believe that I am responsible for health care for another person. The days before Medicare were cheaper for young and old. I don’t [*believe*] this health care scare. Dr.’s are a menace now. Before they were able & caring – but no longer so. 1 mile trip for 4 women now \$1.75 [x] 4 [=] \$7.00 is enough. 9:30 – 11:15 (grocery). We like this very much but some are skipping trips since the last raise.”

March 29 - *as per telephone conversation with Terry Parker, LCOG*

“The cost is okay. It costs much more to take a taxi. The drivers have been wonderful; perfect – would like to give them all something. My son has used the

service as a temporary rider since he had seizures last June. He always has to go with someone due to getting confused, fear and lack of confidence.”

March 29 - *Arlene Anderson*

\$1.50 one-way “okay”

“ I approve of the raise in fare. Thanks for the good service.”

March 29 - *Flora Olberg*

“ I would gladly pay \$1.50. I realize it might be a hardship for some.”

March 29 - *Lavonne Van Dyne*

“Dear Sir, I received your letter of 24 Mar '99. I believe your proposed fare changes are reasonable. RideSource provides a very nice service, and the drivers are most considerate.”

March 31 - *Marion L. Henderson*

“Re: Proposed RideSource Fare Increase

Sirs: I do appreciate very much the accessibility and convenience of RideSource Escort Service. Since I have never driven a car and now must use a walker it is a real necessity to me. I will be able to pay for the intended increase but I do worry about others who may not be able to pay. I hope there will be help or a reduction for anyone who truly needs help.”

March 31 - *Dorothy Ockert*

“Yes, I do approve of this & it is a wonderful service & has helped me a lot.”

April 1 - *Cyril Porter*

“LCOG Transportation Fares. I was so sorry to know that the fare on RideSource is going up again. I am on low income and it's difficult to have to pay for higher fares. Please [*consider*] the fare for low income people.”

April 2 - *Ruth Wilson*

“I live on a limited income – have walker now but last time I used cane – (no ramp). I appreciate RideSource - I do feel it would mean much to a rider that's crippled with Rheumatoid Arthritis in both knees & hands – it would give me a more secure feeling if they waited to see if I got to my home – If I fall I can't get up by myself – need help. Also the vans are quite rough riding – especially to many who've had [*--vical*] spine fusion as I have. Of course, if it cost goes up – I'll continue to use when friends find it inconvenient to drive me – many times do.”

April 2 - *Bernadene Gilstrap*

“Regarding fare increase on RideSource – If it is necessary, then it must be done of course, though continuing to raise fares might be a hardship on some riders. The fare for escort and rider [*RideSource*] at \$3.00 round trip for each seems high. People who need escorts are probably ill or disabled enough that they have many expenses. Is it possible to consider allowing rider and escort paying just one fare? Using fare increase to improve wages and benefits for employees is important. I might be able to help in the effort to get more funding, depending on what is involved.”

April 2 - *Myrtle H. Goodness*

“Terry Parker: About the Sept. 1st raise in rates I am perfectly willing to go along with it. I can’t tell you how much I appreciate your service. The drivers are always courteous and helpful.”

April 2 - *Margaret Ortwein*

“Dear sirs: Yes, I realize the need for an increase in fare and yes, I approve of the proposed fare. It is a great way to get to appointments. I only wish there was some way for arrangements could be made to pick up medication. It is difficult to have neighbors or even family to do that favor.”

April 3 - *Marion Spooner*

“I don’t like it that you have to raise prices because fixed income don’t get a raise but I understand I would rather you raise prices than to cut service. I try to make each ride count. I don’t go often but is [sure is] nice to have. I think you give a good service to those of us who use it. Thank you.”

April 3 - *Helen P. Loomis*

“Re: Proposed RideSource Increase First of all, I want to thank the LTD Board of directors for the wonderful service of RideSource. I truly don’t know what I’d do if I didn’t have it. People like me (I’m 88 years old), who are trying to stay in our own homes, as long as possible, so appreciate this much needed service. In addition, the pleasantness of the drivers, who are so thoughtful, is an added dividend. A friend who planned to take me to a Dr. appointment got ill in her car and she sent a taxi to pick me up. Of course, she insisted on paying for me as she knew my limited income. The cost was outrageous! (\$14.00 each way from my home close to Armitage Park to Valley River Center.)”

April 5 - *as per telephone conversation with Terry Parker, LCOG*

"I am blind and cannot write. What they [RideSource] do is agreeable. I only use it when I can't find my own way. The rate is okay. I don't have complaints everyone has been very nice. I have used taxis before. I memorize where the bus [LTD] is going."

April 8 – *as per telephone conversation with Terry Parker, LCOG*

"Re: Proposed RideSource Fare Increase To whom it may concern: Much appreciation for the service offered. Very caring drivers. Thank you!!! My 83 year old husband suffered a massive brain hemorrhage Sept. 13, 1994. He went from 140 lbs. To 101, couldn't talk, couldn't walk, fed thru tubes in his nose, boxing gloves on his hands so he couldn't pull out the tube when I took him from the convalescent home. The 10th day we were together in our home, he broke his right femur bone. I'm now 77 years old – married to Joe over 58 years - his sole caregiver – feed him macrobiotic organic food and lots of love. He now weighs 146 lbs. – did walk for 3 years but cannot stand since Dec. 24th '98 and sleeps in an electric bed and sits in a wheelchair. Need constant care – like a baby, catheterized every 6 hours. His needs are many and expensive. 2 massages a week – we use RideSource for visits to the barber - doctor – hospital – temple on Sat. mornings, etc must always be accompanied by me. Fare use to be \$1.00 (if I recall correctly)– now \$1.30 no cost for me. With the intended raised fee the round trip would be \$6.00 compared to \$2.60 now, multiplied by many trips per month. Quite a difference. Double whammy at one crack – raise in fare and double for us both. Wow! I do my own domestic work – yard work – his food tubes are 1 hour each morning – he consumes as much food as 4 to 6 people. Half his oxygen & half his food goes first to the brain and he takes 12 supplements a day – some very costly. Lots of laundry, medical supplies – I sleep from midnite to 5:00 a.m. Lots to do – he's contented – so am I."

April 9 – *as per telephone conversation with Terry Parker, LCOG*

"Dear Sirs I don't understand just how your letter reads as it says \$1.50 one way and pay \$14.00 for ten tickets which is \$1.40 one way & I have been unable to reach any one by phone. So will you please let me know in writing or by phone as I'm going to have to buy more tickets soon. Thank you"

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: EUGENE STATION ANNIVERSARY UPDATE

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: None

BACKGROUND: The attached staff report was compiled following discussions with LTD staff and employees, Eugene police, downtown employers and employees, and LTD customers following the first year of operation in the new Eugene Station. Also attached is a report provided by the Ulum Group as a result of an audit of businesses in the vicinity of the Eugene Station.

ATTACHMENT: Eugene Station One-Year Report
Eugene Station Audit Results

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: Eugene Station Anniversary Update

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: None

BACKGROUND: The attached report was compiled following discussions with LTD staff and employees, Eugene police, downtown employers and employees, and LTD customers.

ATTACHMENT: None

PROPOSED MOTION: None



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EUGENE STATION ONE-YEAR REPORT

**Prepared by Andy Vobora, Service Planning & Marketing Manager;
Rick Bailor, Transit Projects Administrator; Charlie Simmons, Facilities Manager; and
Angie Sifuentez, Customer Services Supervisor**

April 21, 1999

Safety and Security

Creating a safe and secure feeling at the station was a top priority. Customer surveys consistently had shown that people did not feel safe at the 10th Avenue facility. To create a greater feeling of security, the District utilized a number of techniques. The effectiveness of these efforts is captured in this comment from a youth who had been asked why he had been waiting in the Customer Service lobby for an extended period: "because we feel SAFE here." Bus operators also have commented about how much safer they feel at the new station, which they attribute to the addition of an LTD supervisor.

Station Design

1. Crime prevention through environmental design (CPTED) principles were applied to the design. Site lines are kept clear, lighting is bright and extensive, and places to hide are eliminated.

Staffing

1. A higher level of supervision has been maintained. The District had employed the Downtown Guides and had funded a portion of a downtown police officer at the 10th Avenue station. At the new station, the addition of LTD supervisors has enhanced the level of supervision. This has allowed the District to respond more quickly to situations and to deter situations from occurring. In situations where a supervisor has resolved an issue, he/she often is approached by a community member who says "thanks, you're doing a great job." Feedback from police officers working in the area, has been favorable. The number of incidents has dropped dramatically due to fewer groups of people hanging around the station. The station rules are clear and people have learned that they need to catch the bus or they will be asked to leave the area. The Eugene police have commented on how much easier it is to deal with issues now that the Eugene Station is under LTD's control. They are seeing fewer problems, and the incidents they respond to are much easier to handle.

because there is no more guessing whether or not a situation occurred on LTD property or City property.

2. Regular cleaning of the facility has achieved the goal of maintaining a clean and presentable waiting area, but also has increased the sense of security. The presence of LTD facilities staff Diane Petersen during the day, and of contract cleaning staff during closed hours, has made the entire area more secure.

Operations

Increasing operational efficiency and effectiveness were high on the list of desired outcomes. If the new station did not enhance the District's ability to provide better service, then the investment would have been questioned. The results have been positive from the first month of operation, which is evidenced by steadily increasing ridership.

Bus Boarding Layout

1. Providing independent pullout capability has worked very well. While much effort goes into assigning buses to individual bays, the benefit of buses leaving when ready has helped schedules to be maintained. The individual bay assignments also have made it easier for customers to understand the station layout and find their bus. Early concerns surrounding ingress and egress to the station have not materialized. This has been particularly pleasing considering that the traffic signal priority system is still not operational. While LTD has done its part to provide the software component to the City of Eugene, integration difficulties have postponed implementation. When operational, the system will enhance the buses' ability to move through traffic signals near the station exits and should ease the congestion that occurs at different times of the day.

Routing

1. The station design included four entrances, allowing staff to route buses differently through downtown. This made it possible to eliminate the need for several bus stops close to the station, which resulted in more consistent arrival times and transfers. Delay study information confirmed that the number of late-arriving buses had dropped significantly from previous years.
2. Detours necessitated by parades, construction, or emergencies at the station have had minimal impact on station operations. As we have experienced these situations, the opportunity to learn how to be more effective in the future has been valuable. Fortunately there have been only a few occurrences that have resulted in the need to move operations away from the station.

Customer Services

1. The Customer Service Center has experienced a 100+ percent increase in foot traffic. In addition to purchases, customers have found the CSC to be a safe and warm environment in which to wait for their buses. Staff have learned that some of these customers are homeless youth who find the CSC a safe haven. The Customer Service staff has been trained to work with these youth, and will make contact with social service agency staff who can better serve them.
2. Sales of fare instruments have not changed significantly.
3. Telephone activity is not unusually high, at approximately 11,500 calls per month. However, staffing issues and the increased lobby traffic have had an impact on our lost call rate, which was 13 percent in March. Plans to reduce this rate are being discussed, and it is hoped that this number can be reduced to single digits by the end of the fiscal year.

Design

Providing a quality facility to enhance downtown was seen as an essential component in designing the station. This commitment permeated the design of the structures and the services LTD would choose to provide.

Station Environment

1. Station furniture was designed to be functional and low maintenance. It has been pleasing to see that customers use the benches, lean rails, and plaza areas regularly. Anticipated abuse and vandalism have not materialized.
2. Restrooms were a controversial element to include because of concerns about cost, maintenance, and safety. Abuse of the facilities has been controlled through design and materials selection, as well as regular cleaning. The experiences of the cleaning staff have been horrendous at times; however, having these facilities available has brought tremendous amounts of praise from our customers. No safety problems have occurred.
3. Smoking at the station was limited to two bus bays when operations began. This created a difficult enforcement issue for supervisors and guides. Police sweeps of underage smokers and constant communication with adult smokers were necessary to keep the situation under control. The move to ban smoking throughout the station has been well received by customers. While the education and enforcement process continues on a daily basis, LTD supervisors report less time spent on this issue. As recently as two months ago, supervisors were dealing with an average of 20 smoking incidents during an eight-hour shift. During this last month, the supervisors reported that the average number of contacts has dropped to five.

4. The difficulty in getting the Cafeto coffee shop up and running was overcome and the response has been very positive. Cafeto provides quality products that customers have enjoyed. The owners have been pleased with the level of business.
5. LTD made a significant investment in the police substation in the 1099 Olive building. This two-year commitment will need to be analyzed in detail before future commitments are made; however, this year's experience has been very positive. The visibility of police officers coming and going enhances the level of security at the station.
6. Platform telephones that link customers to the Customer Service staff have not functioned well and will be removed. Staffing levels at the Center do not allow these calls to have any greater priority than other incoming calls; therefore, there is no advantage to the customer.
7. Display case windows located on the south side of the Customer Service building have created problems. Direct sunlight creates significant heat within the case, resulting in materials disintegrating after a very short period of time. Ideas for longer-term displays are being examined; however, this investment may be significant and would eliminate the short-term use the cases were designed for.
8. Future enhancements include the addition of pass and token vending machines and a public address system for the platform.

Around the Neighborhood

1. The McDonald Theatre owners went to great lengths to improve the theatre building and the small building fronting on the station. Their investment has paid off. LTD helped to facilitate successful grand opening events for the Sister's Café, Station Market, and Chez Ray. LTD allowed Sister's Café and Station Market to use the main plaza (by the tree) to position a radio station for their grand opening events. Chez Ray used the small plaza (in front of Sister's Café) for his grand opening event. Additionally, the 10th Avenue Pharmacy has opened at 10th and Willamette Street, and all other McDonald spaces are leased.
2. It was important to LTD that good communication be established with our neighbors during construction and following the opening. In June 1998, staff visited businesses along Willamette Street. The purpose was to obtain feedback on the impact buses along Willamette Street had on their business and gain reactions to the new station. Here are the comments that were received.

Buses on Willamette – Merchant Comments

Merchant	Comment
Cabaret	Happy about new station. Did not notice buses until a couple of weeks ago. Regular bus rider.

Annatola's	Happy about new station and the improvements to downtown. Would not quibble about a few buses on the street. Would not like to see more buses on Willamette.
Harry Ritchies	No problems. Happy about the new station.
Rosewaters	Keep on busing!! Happy about new station.
Taco Time	Buses along street give business more visibility. Bus riders notice Taco Time and bring business. Happy about the station Employees are bus riders.
Scan Design	Skeptical at first – but no problems. Frequent bus riders. Happy with benefits from station.
Andrew Smash	No problems.
Portland Swimwear	Perceives buses going fast along Willamette. More bicycle/pedestrian accidents.
Bagel Sphere	No concerns or complaints Cars sometimes double-park in front of store and merchant is afraid bus will hit car. More bicycle/pedestrian accidents.
US Bank	Not as bad as thought it would be. No issues.
Cascade Title	No problems. Doesn't hear buses. Wants service to Marcola Road.
Aster Publishing	Not as bad as thought it would be. No problems.
Goldmine	No problems Would not like to see more buses.
Gepettos	Did not know buses ran on Willamette. No problems.
Arch Paging	Notices them occasionally. Does not hear them. No problems,
Timeless Antiques	No problems
KTVC	No problems.
Carpet/Forouz Salon	Doesn't like buses. Too noisy. Would like them off the street.
Shoe A Holic	More buses! Needed transportation Would like them to stop in front of store. Love the station.

These comments were very encouraging. During the past year, a dozen Olive Plaza residents have come to the CSC and given compliments regarding the station and expressed gratitude toward having the police station nearby.

3. Involvement in Downtown Eugene, Inc. (DEI) and Downtown Events Management, Inc. (DEMI), including participation on their boards of directors, has given LTD an opportunity to work in partnership on a number of downtown events and planning activities. DEI director Russ Brink and a number of the DEI board members have expressed their compliments regarding the station's impact on downtown.
4. LTD has had a presence and involvement at the Police Forum, an advisory group to the Chief of Police, on community policing issues.
5. Future plans include an anniversary party and promotion involving Station neighbors. The downtown employees continue to be a major target for future ridership, and LTD will seek to tap into this market in a bigger way in the years ahead.

Operational Expenses

LTD began the station project knowing that operational expenses would be significantly greater than previously experienced. LTD owned no buildings at the former 10th Avenue station, and had a minimal investment in shelter facilities at that location. The new station includes two buildings, extensive boarding platforms, and major shelter structures. Landscaping, daily cleaning, and utilities are just a few items that drive these expenses. Expenses for the Eugene Station have been within the approved 1998-99 approved budget. The approved 1998-99 budget for facilities at the Station was \$214,030, while actual expenses through January were \$98,000. Actual expenses will increase in the second year of operation as a result of providing services (e.g., HVAC equipment) that currently are under warranty.

Vandalism

1. LTD has experienced a minimum amount of vandalism the first year. The Station design that utilized the concept "Crime Prevention through Environmental Design," the police substation, supervision on the site, and the selection of materials have reduced the Station's exposure to vandalism.

Platform Maintenance

1. A minor concrete issue was corrected in Bay C. Impact to station operations was minimal.
2. The tile area in the public plaza was extremely slippery during the rainy season. After a lot of research and experimenting with different products, the District found a coating that solved the slippery tile issue. No incidents have occurred involving the tile.

3. The Station cleaning is accomplished by a combination of contracted services and one LTD station cleaner. Diane Petersen was selected for the on-staff daytime station cleaner position and has since been selected as LTD's employee of the year. Diane cleans the public restrooms a minimum of four times a day and keeps the passenger boarding areas cleaned during service hours. Contracted services do the majority of the cleaning after operational hours, which also provides the on-site presence that is crucial to the overall supervision of the Station. This combination of contracted services and on-staff daytime cleaner works remarkably well in targeting a higher level of services during bus service hours.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: PILOT TRAVEL TRAINING AND TRANSIT ATTENDANT PROGRAM UPDATE

PREPARED BY: Patricia Hansen, Transit Planner

ACTION REQUESTED: None

BACKGROUND: LTD received state grant funding for a pilot "Travel Training and Transit Attendant" project. The overall goal of the project is to enable some RideSource paratransit riders to use LTD fixed-route service for one or more of their regular trips. This is made possible through customized travel training and bus transfer assistance at the downtown Eugene LTD bus station provided by transit attendants.

The Lane Council of Governments (LCOG), as part of its contractual agreement with LTD to manage paratransit services, entered into a contract with Alternative Work Concepts (AWC) in August 1998 to provide travel training and transit attendant services. AWC has proven to be a conscientious and enthusiastic partner in this project. There are currently seven clients in the program, three of whom are ready to "graduate" to independent riding on LTD buses. As the grant-funded pilot program approaches the end of its first year, LCOG, AWC, and LTD will be hosting a graduation/recognition celebration to acknowledge the success of these seven courageous individuals. The celebration is scheduled for Tuesday, April 27, 1999, from 3:00 to 4:00 p.m. at the Hilyard Community Center. A press release will be sent out to advertise the celebration to the media, and invitations will be sent to a list of interested parties (including agencies that may wish to participate in the program in the future). Board President Kirk Bailey will be presenting certificates to the program participants, and all LTD Board members are invited to attend the event.

LCOG staff will be conducting an evaluation of the Travel Training and Transit Attendant program, including a cost-benefit analysis. This information should be available by the end of May and made available to the Board in report form in June.

ATTACHMENT: None

PROPOSED MOTION: None

TRANSIT OPERATIONS

Mark Johnson, Transit Operations Manager

Service In America

Our spring training cycle has begun and we are offering a class entitled Service in America. The purpose of the class is to raise all of our employees' awareness of the importance of customer service. The training also makes the connection between good customer service and the District goal of increasing ridership. So far the training has been well received and it is our hope that improved customer service will result.

Radio System

Negotiations are continuing and we are close to a takeover agreement with the bonding company for the completion of our mobile data acquisition system. We are still finalizing the agreement but it appears that GMSI will be working under the supervision of the bonding company with a specific amount of time to complete the project.

No Smoking Policy

The implementation of the no smoking policy at the Eugene Station went off very well and over all seems to be successful. There are some minor glitches to deal with but the issues are less than when smoking was allowed and the environment inside the station is much more pleasant.

Video Cameras on Buses

Three LTD buses will be equipped with digital audio and video recorders this weekend. The purpose of this pilot program is to improve security and safety on our buses. In addition, the cameras will be useful for identification and training purposes. The buses will have varied camera configurations to determine which will best meet our needs.

New Operator Class

We will have five new operators starting their career at LTD on May 10. The new class is necessary to cover normal attrition and an increase in vacation time.

AGENDA ITEM SUMMARY

DATE OF MEETING: April 21, 1999

ITEM TITLE: YIELD LAW IMPLEMENTATION UPDATE

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager

ACTION REQUESTED: None

BACKGROUND: The 1997 Oregon legislature passed the yield law in an effort to give transit buses a safe and efficient way to re-enter traffic. The inability of a bus to re-enter the traffic lane is a costly part of operating a bus schedule. Additionally, the merging of the bus into traffic can be a safety hazard when the vehicular traffic is operating at a high rate of speed. The yield law has been written to address both of these issues. Vehicles approaching a bus that has activated its yield light must allow the bus to re-enter the first travel lane. This allows the bus to better meet its route schedule, while also providing a clearer signal to vehicles. Currently, vehicle operators have a difficult time knowing exactly when the bus is ready to merge; therefore, many vehicle operators continue to move past the bus, creating additional delays and a potential safety hazard.

After many months and field tests, a final yield light has been developed. LTD fleet services staff have developed the necessary wiring mechanism to operate the light, and the lights have been ordered. Delivery is due around the first of May and will continue through June.

An educational video has been developed by LTD and Metro Television. This will be used to train bus operators and law enforcement personnel about the details within the law. Additionally, a public information campaign has been developed to inform residents about the law. It will be important to let the public know that this law is a benefit to them as well as LTD. Staff are hopeful that the campaign will catch the attention of local drivers, including students, before summer break begins. In order to ensure that the public is adequately notified, LTD will provide the information again in the fall, when school is once again under way.

While the law becomes enforceable as soon as the first working light is installed, LTD will be asking area law enforcement staff to offer a "grace" period in which no citations would be issued. It is important that residents

are given an adequate amount of time to learn about this new law and the consequences of violating the law, especially since first-time violators face a \$75.00 fine.

ATTACHMENT: None

PROPOSED MOTION: None