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Public notice was given to *The Register-Guard* for publication on November 9, 2000.

LANE TRANSIT DISTRICT REGULAR BOARD MEETING

Wednesday, November 15, 2000
5:30 p.m.

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

A G E N D A

Page No.

I. CALL TO ORDER

II. ROLL CALL

Gaydos _____ Hocken _____ Kleger _____ Lauritsen _____

Wylie _____ Bennett _____ Vacant (Subdistrict 3) _____

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

III. PRELIMINARY REMARKS BY BOARD PRESIDENT

IV. ANNOUNCEMENTS AND ADDITIONS TO AGENDA 04

V. WORK SESSION--Discussion with Board about paratransit, facilities, and
ridesharing 05

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

VI. EMPLOYEE OF THE MONTH—December 2000 06

VII. AUDIENCE PARTICIPATION

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

VIII. ITEMS FOR ACTION AT THIS MEETING

- | | | |
|----|--|----|
| A. | Consent Calendar | 07 |
| 1. | Minutes of the October 16, 2000, Special Board Meeting
(Page 08) | |
| 2. | Repeal of Obsolete or Superseded Procedures (Page 28) | |
| 3. | Revision of LTD Investment Policy (Page 29) | |
| B. | Acceptance of Independent Audit Report for Fiscal Year Ending
June 30, 2000 | 37 |
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IX. ITEMS FOR INFORMATION AT THIS MEETING

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| c. | BRT Steering Committee / Public Design Workshops /
Walkabout Input | |
| d. | Springfield Station Steering Committee | |
| e. | Eugene Downtown Visioning | |
| f. | Lane County Board of Commissioners Meeting | |
| g. | Board Finance Committee | |
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Fiscal Year 1999-2000 | 50 |
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A. FY 2001-2002 Service Recommendations	
B. Board Committee Assignments	
C. Budget Committee Appointment	
D. Springfield Station Site Selection	
E. Bus Rapid Transit (BRT) Phase 1 Decision	
F. Board Strategic Planning Work Session	
G. TransPlan Draft Plan Approval	
H. FY 2001-2002 Pricing Plan and Fare Ordinance	
I. BRT Updates	
J. Quarterly Performance Reporting/Year-end Performance Report	
XI. 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).

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 1990-2000

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: The Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2000, is included with the agenda packet as a separate document for Board members. This report includes audited statements and the opinions of the independent audit firm of Grove, Mueller, and Swank. Charles Swank, representing LTD's auditors, will attend the November 15 meeting to discuss the audit results. An overview of Lane Transit District's financial position at June 30, 2000, will be presented by staff at the November 15 Board meeting.

Board acceptance of the independent audit report for the fiscal year ending June 30, 2000, is scheduled during the Items for Action portion of this meeting.

ATTACHMENT: Comprehensive Annual Financial Report for the Year Ended June 30, 2000 (included separately for Board members)

PROPOSED MOTION: None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING

Monday, October 16, 2000

Pursuant to notice given to *The Register-Guard* for publication on October 12, 2000, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held special meeting on Monday, October 16, 2000, at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President, presiding
Rob Bennett, Vice President
Gerry Gaydos
Dave Kleger, Treasurer
Pat Hocken
Virginia Lauritsen
Ken Hamm, General Manager
Annette Speck, Recording Secretary

Absent: Vacancy (Subdistrict 3)

Transcribing Secretary: Susan Hekimoglu

CALL TO ORDER: Board President Hillary Wylie called the meeting to order at 5:36 p.m. Mr. Gaydos was not yet present.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: Ms. Wylie announced that the Governor had appointed a new Board member to fill the Subdistrict 3 vacancy; however, the appointment was not yet confirmed by the Senate. Information about the Governor's appointment was available in the Board packet on page 51.

Ms. Wylie said that the UO Alumni/Springfield Chamber Scholarship Auction would be held at the Hilton on November 17, 2000. LTD would have a table reserved, and Ms. Wylie invited other Board members to call LTD staff to indicate their interest in attending.

Ms. Wylie distributed LTD 30-year anniversary lapel pins to each of the Board members. Mr. Hamm said that LTD's 30th anniversary would occur in November, and a staff committee was planning events to mark the event that would occur after the first of the year. Mr. Hamm applauded everyone who had been involved during the past 30 years and who had a hand in making LTD one of the premier transit properties in the country.

WORK SESSION – COMPREHENSIVE SERVICE REDESIGN ALTERNATIVES:

Service Planning and Marketing Manager Andy Vobora said that as part of the comprehensive service redesign process (CSR), the Board had asked staff to develop three service plan scenarios.

Scenario 1 included the full build-out of routes as reviewed by the public throughout the redesign process. It addressed the operational issues of running time, while providing a high level of frequency along major corridors. Additionally, new cross-town connections were made through route linking. Scenario 1 would result in a service increase of approximately 14 percent.

Scenario 2 maintained a high level of service coverage while sacrificing frequency and span of service on some routes. Operational issues in terms of running times were addressed through route design; however, there was the potential that lower frequency would change ridership patterns, which could create new running-time issues. Scenario 2 would result in a service increase of approximately 5 percent.

Scenario 3 reallocated service from coverage and restored frequency and span of service lost in Scenario 2. Operational issues were addressed and new cross-town connections were maintained as in the previous scenarios. Scenario 3 resulted in a service increase of approximately 5 percent.

Mr. Vobora discussed the highlights of each scenario. Mr. Gaydos arrived at the meeting at 5:42 p.m.

Mr. Kleger said that a guest had commented to him about the length of time it took to travel from the Amazon area to the Easter Seal area off Willamette Street, and he asked if those types of cross-town issues would be addressed. Mr. Vobora said that staff had not yet gotten to the level of CSR planning that would allow specific transfer questions to be answered, but those types of cross-town issues were being considered and attempts were being made to address those types of trips.

Ms. Hocken asked what assumptions staff had made about bus rapid transit (BRT) in putting the three scenarios together. Mr. Vobora said that everything that was proposed would coordinate with the BRT pilot corridor. Several routes in Scenario 1, for instance, would terminate at the UO, and staff believed there was sufficient service between the UO and downtown to cover the service that the BRT eventually would provide.

Ms. Hocken asked for further clarification about what services were being proposed in the West 18th Avenue area. Mr. Vobora provided an overview of the area that had been considered, but said that detailed information was not yet available. Staff would make revisions and begin more detailed planning following this discussion with the Board.

Mr. Vobora concluded his presentation by stating that service with a 14-percent increase would cost about \$1.8 million to operate annually, which was not a reasonable expectation. However, a 3- to 5-percent increase was realistic. It would allow LTD meet some of the

needs of the growing community, such as providing service to new growth areas, and some services that would benefit riders in terms of neighborhood connectivity in routing.

Staff believed that Scenario 2, which eliminated some mid-day services, was a reasonable proposal. It would have a negative impact on some people, but staff believed the benefits would outweigh those negative impacts.

Staff believed that Scenario 3 went too far in reducing coverage service.

Ms. Hocken said that she was concerned about the Scenario that reduced the frequency of the downtown shuttle. The route would not function as a shuttle if 10- to 15-minute service was not maintained.

Mr. Kleger said that he strongly agreed with the decision to delete the service along Taney Street in West Eugene. He said that he frequently used that route, and it was one trip in three that passengers actually were picked up or dropped off along Taney. Most of the people in that area had a short walk to get to a major route. He did not believe that proposal had been met with much negative feedback.

Mr. Kleger asked about the possible reduction in the span of service on the #40 Royal route and how it might be configured. Mr. Vobora said that because the #40 and the proposed new #42 had connecting loops, they needed to be run in tandem to be effective. They currently were proposed to end after the 9:40 p.m. departure from the Eugene Station. Mr. Kleger said that the late-night #40 route often was loaded. It was too far and too dangerous to walk to Royal from the Barger route that operated later in the evening. Mr. Kleger did not think people in the area would be too concerned if one of the routes dropped off the loop later in the evening and the other continued to operate. Mr. Vobora said that staff would research the opportunities there.

Ms. Wylie said that she was concerned about deletion of service in the City View area. Mr. Vobora said that some routing would be maintained during the commute hours, and people in the area seemed to understand that the all-day service was not productive.

Ms. Wylie asked Mr. Vobora to point out which service changes staff expected to be met with high contention. Under Scenario 2, Mr. Vobora said that there were people in the Game Farm Road area who were reduced fare customers who would lose service. Staff had planned to further research some options in that area.

The proposed service cut on Laura Street in Springfield could generate some testimony as there was a mobile home park in the area, but productivity in the area was very sparse.

There could be some testimony about the proposed change to neighborhood connector service. People who generally were accustomed to riding one bus into the Eugene Station might be upset when they learned that it could take two buses.

Ms. Hocken asked about the origin of the 5-percent increase and if it was generated from the long-range financial plan or some other strategic goal. One of the key issues was how much LTD could increase service. Mr. Vobora said that the proposed 5-percent increase was an increase over the base number of current service hours. The long-range financial plan assumed a 2- to 3-percent increase in service. It would cost approximately an additional \$650,000 annually to increase service by 5 percent. Mr. Vobora further explained that the service changes for Fiscal Year 2000-01 had not resulted in a service increase, so staff were combining the two years' worth of service increases that were scheduled in the long-range financial plan.

Mr. Bennett asked about overall system ridership statistics. Mr. Vobora said that ridership had been increasing each month since July. Finance Manager Diane Hellekson added that fares also were slightly increased during the first quarter of the Fiscal Year. Overall revenue also had increased by 2 to 3 percent.

Mr. Bennett reiterated his thoughts that the productivity criterion was very important to balance service in the community. He also believed that there could come a time in terms of the significant initiatives that LTD had on the table, where additional revenue might be needed. He did not believe that those additional revenues could be realized with a plan that did not recognize the need to have a productivity criterion that actually meant something. He also said that over time, LTD should move in the direction of operating only the more productive routes rather than focusing on coverage.

There was a growth management policy in the community that suggested that people would live more closely together in a more compact form, which would suggest that people locate near LTD's productive routes. It may seem very unfair in the short run sometimes, as he'd heard since being on the Board listening to public testimony, but over the medium and longer term, it was the only way to argue that LTD was doing everything possible to keep its operating position solid and have the ability to argue for the opportunity to do more things that would benefit the community as a whole. As the community continued to grow, LTD would need to provide more service, and he was a big believer in the shuttle system, which was an important part of the increase in costs that LTD would experience. He favored Scenario 2 with some modifications, such as adding frequency back into the shuttle.

Mr. Kleger said that he would like to be able to provide the service outlined in Scenario 1, but knew that it would be too expensive. However, if LTD did not do more in terms of service, it would fall farther and farther behind the curve, and there also was an age factor in the fleet. If Congress continued to deny equipment authorizations, LTD would end up with no means to provide the promised service. He agreed that a modified Scenario 2 appeared to be the best option. He also agreed with Mr. Bennett that in order for the downtown shuttle to succeed, LTD needed to begin that service with high frequency.

Ms. Lauritsen asked how much a modified Scenario 2 would cost. Mr. Vobora said it would result in a 3- to 5-percent increase in service at a cost of about \$120,000 per percentage increase.

Mr. Bennett asked if the Finance Committee had discussed the service increase costs. Ms. Hocken said that it had not; however, a 4-to 5-percent increase in service was consistent with the long-range financial plan, since there had been no service increase for FY 2000-01. Ms. Hellekson said that the Finance Committee would discuss the issue at its meeting on November 8, 2000.

Ms. Hocken said that along with the cost of service, there also was a cost associated with adding bus stop shelters, and LTD ought to pursue a partnership with businesses along the shuttle route to share the cost of shelters. Mr. Vobora said that the Board had authorized some capital improvements to support the implementation of the shuttle, but staff also would seek opportunities, such as partnering with businesses. There only were a few stops along the proposed shuttle route that would require a bus stop bench or shelter.

Ms. Wylie asked Mr. Vobora to review the process for approval of the CSR. Mr. Vobora said that staff would review the input and direction from the Board to refine and prepare the final CSR proposal for presentation to the Board. If routes were now identified that previously had no changes, staff most likely would provide additional opportunity for input from the residents and businesses in newly affected areas. An open house also would be held at the Eugene Station on November 16, 2000, so people would have that opportunity to provide input. Staff would present the refined proposal to the Board at its December meeting. Public hearings would be held at the Board meetings both in December and in January. If the final revisions were acceptable, approval would be expected by the Board at the January Board meeting.

**SPECIAL PRESENTATION – 2000 OREGON TRANSPORTATION CONFERENCE
TRANSPORTATION PARTNERS OUTSTANDING VOLUNTEER OF THE YEAR AWARD:**

Terry Parker of Lane Council of Governments was present to introduce Mr. Ed Necker, who was selected as one of two recipients of the 2000 Oregon Transportation Conference Transportation Partners Outstanding Volunteer of the Year award.

Ms. Parker said that Mr. Necker had served as a community representative of Lane County's Special Transportation Fund Advisory Committee (STFAC) since 1996. He also volunteered at the RideSource office handling telephone calls. Originally a RideSource rider, Mr. Necker now utilized LTD's fixed-route services.

Mr. Necker had dedicated many hours in support of transportation for the elderly and people with disabilities. He had taught by example what it was to move beyond perceived limitations. His efforts were inspirational, and he always had a smile or a story or quip to share. Ms. Parker said that Mr. Necker was a remarkable person and an outstanding volunteer.

Mr. Necker said that he joined the STFAC in 1996, and because he was concerned about declining resources, had volunteered at RideSource that same year. Mr. Necker thanked LTD for its support of the RideSource program and recognized LTD for its commitment to accessibility.

Ms. Wylie congratulated Mr. Necker and presented him with a Volunteer of the Year award plaque and a certificate for a one-month pass.

EMPLOYEE OF THE MONTH – NOVEMBER 2000: Transit Operations Manager Mark Johnson was present to introduce bus operator Marcie Pope as the November 2000 Employee of the Month.

Mr. Johnson said that Ms. Pope had been with the District since July 1990, where she began her employment with LTD as a Farebox Accounting Clerk. She became a bus operator in July 1992. Ms. Pope had earned awards for seven years of correct schedule operation and three years of safe driving. In addition, Ms. Pope had been a temporary system supervisor for two years, and for the past five years had volunteered to be a transportation coordinator for the Oregon Country Fair, Lane County Fair, Joy Ride, men's and women's UO basketball games, and UO football games. Ms. Pope was nominated for Employee of the Month by all of the operators working the September 14, 2000, football game, for her wonderful sense of team spirit and the extra effort she always put forward to make LTD a very special place to work.

Mr. Johnson said that Ms. Pope's goal when she began employment for the District was to become a bus operator, and she was well suited to the task. She was very at home with LTD's guests and always was smiling. It was a pleasure to ride her bus. She had good customer service skills and a thorough knowledge of what LTD was about. Ms. Pope was one of the most involved bus operators at LTD. Her work as a transportation coordinator was exceptional, and it was a pleasure to work with her during the special events.

In between her duties as a bus operator and transportation coordinator, Ms. Pope also found time to help with many LTD special events, such as the picnic and the United Way campaign. She also took it upon herself to decorate the operators' lounge before each UO home game, organized potlucks for the special event operators, and then she ensured that the lounge was cleaned up afterward.

Ms. Wylie congratulated Ms. Pope and presented her with a letter of congratulations, a certificate of achievement, a lapel pin, and a monetary reward.

Ms. Pope said that this was the third time she had been selected as the Employee of the Month, and she was honored once again to have been selected. She loved working for Lane Transit District. In order to work for LTD, one had to be a people person, and Ms. Pope said that she was one. Three years ago, she began organizing potlucks during football games and it had gained popularity. She was nominated for this award by her co-workers who loved to eat. She enjoyed decorating the operators' lounge, which kicked off the football season and was a morale booster.

Ms. Pope then thanked Mr. Hamm and Mr. Johnson for helping and supporting the transportation coordination program at Autzen Stadium.

Mr. Hamm invited Board members to visit the operators' lounge during the game day potluck to get a sense of what the heart of the organization was. There were many great people in the lounge who were focused on serving the people who were attending a game, but also who were having fun.

PRESENTATION OF APTA ADWHEEL AWARD: Mr. Hamm said that the award was a result of the work of the LTD marketing staff and the advertising agency, Capelli, Miles, Wiltz + Kelly. LTD earned the grand prize in the public information campaign category at the American Public Transportation Association National Conference in San Francisco for its yield law informational campaign, which featured print and radio ads encouraging motorists to *Let the Bus Back In!*

Mr. Hamm presented the Adwheel Award to Mr. Vobora.

Mr. Vobora congratulated the marketing staff and the advertising agency staff for the excellent collaborative efforts in this campaign.

AUDIENCE PARTICIPATION: 1) Mr. Rob Zako of Eugene, representing the Friends of Eugene, was present to discuss the performance measures in the Draft TransPlan, which were to be approved at a joint meeting of the jurisdictions on Wednesday, October 18, 2000. He urged the Board to reject the alternative performance measures as they were not in the public interest nor in LTD's interest.

Mr. Zako taught math as a profession, and he was fairly comfortable with figures and statistics. The proposal for alternative performance measures increased the non-auto mode share from 14.1 percent to 15.5 percent and increased the transit mode share from 1.8 percent to 2.7 percent. The Draft TransPlan also projected no change in vehicle miles traveled (VMTs). He explained how the transit mode share could increase while VMTs remained constant. At the same time that some people were driving less and riding transit more, other people would be driving more, canceling out the gains from increasing transit mode share.

Mr. Zako maintained that the goal of LTD and the goal of TransPlan was to reduce reliance on the automobile. By approving the alternative performance measures, the LTD would be approving a goal with no reduction of VMTs, or no reduction of the reliance on the automobile over 20 years. To his mind, that was LTD planning for no progress in 20 years. All that would be accomplished would be to shift the driving from some drivers to others, and not making any progress.

LTD could set its sights higher. The Board could insist on the 5-percent VMT reduction standard, and in doing so, it would significantly reduce reliance on the automobile. Some reduction would come about by increasing walking and bicycling, but much of it would result from increasing transit. In effect, by insisting on a 5-percent VMT reduction, the Board would create the demand for more transit, a demand that LTD was ready to supply. But the Board could do more by insisting on the 5-percent VMT reduction, such as compelling the other jurisdictions to better support transit.

In his October 5, 2000, testimony, Bob Courtright wrote, "BRT and nodal development go hand-in-hand in achieving reduced reliance. Each depends on the other. As much as possible, nodal development should occur along planned BRT lines, especially those to be built first, so that development and transit are put in place together."

Although LTD cannot directly dictate land use policy, it could compel the other three jurisdictions (Eugene, Springfield, and Lane County), to have more transit-friendly development by insisting the VMTs are reduced by 5 percent.

The Board could plan for no real progress in transit by accepting the proposed alternative performance measures. Mr. Zako urged the Board to set its sights higher and enlist the support of the other three jurisdictions by insisting on the 5-percent VMT reduction standard.

2) Kathleen Brandt of Eugene discussed the proposed elimination of the #35 City View. She said that she was a regular rider of the #35 route and other routes downtown. She had lived on 29th Avenue for the past eight years. She thanked the Board for the time and attention.

She spoke to the Board nearly four years ago regarding the same cause. She was committed to keeping the #35 going in some fashion. She was thankful that the Board listened to her several years previously, in which she suggested that LTD cut the multiple runs between 7am and 6pm due to low ridership.

Currently, there were three commuter runs in the morning and evening, and she felt as though the number of riders was down during the past year. She had taken a year off to care for her small children and had not ridden the bus. She said that she and her husband were committed to alternative transportation. Her husband typically rode his bike, and she typically walked and rode the bus.

In the hills, the residents depended on some form of transportation, and walking was not always viable on the steeper terrain, particularly in inclement weather. While the ridership numbers were down during the past year, there had been some changes. Her place of employment, for example, had a very strong transportation policy, so more people had begun riding the bus. If more people were riding, she did not believe this was the time to cut service.

She urged the Board to consider some level of service in her neighborhood.

Ms. Brandt's daughter, Genevieve, asked that the Board please not stop the #35 bus because she wanted to ride it when she got bigger.

Kathleen Brandt added that her family used the bus route to get to medical appointments, shopping, and school, and she just hated to think that LTD might discontinue that service.

Ms. Wylie thanked everyone for their comments and closed the audience participation portion of the meeting.

MOTION **CONSENT CALENDAR**: Mr. Kleger moved that the Board adopt the following
VOTE resolution: "It is hereby resolved that the Consent Calendar for October 16, 2000, is
approved as presented." Ms. Hocken seconded the motion, which carried unanimously by
acclamation. The October 16, 2000, Consent Calendar consisted of the minutes of the
September 20, 2000, regular Board meeting.

BUS RAPID TRANSIT PILOT CORRIDOR GOALS AND PERFORMANCE
OBJECTIVES: Planning and Development Manager Stefano Viggiano said that the Board
previously had approved the performance objectives for the pilot corridor in the Spring of
1999. Staff were asking the Board to consider a revision to those performance objectives.

The proposed changes included changing the term *market share* to *mode split*. and to
add objectives to goal statements 1 and 4 that include a provision for convenient
neighborhood connector service that linked neighborhood residents with the BRT line and
nearby activity centers.

Ms. Lauritsen asked if there was a cost associated with the proposed additions.
Mr. Viggiano said that the policy did not make specific recommendations about how much
service the objectives would require. He believed that was a decision that would be
considered on a case-by-case basis. In many cases, the neighborhood service already
would be in place, but would need minor adjustments.

Mr. Kleger stated that the Board, at every stage of the BRT concept discussions, had
recognized the need for neighborhood connector service to make the BRT concept saleable
to the average citizen, and he thought it would be a good addition to the policy.

Mr. Bennett asked if the placement of these objectives in the policy would commit LTD
to more than previously had been committed to. Mr. Viggiano said that it was consistent
with LTD's approach to the BRT system. The actual decision about the extent and cost of
those neighborhood connectors was a decision the Board would make as the BRT system
implementation proceeded.

Ms. Hocken said that as proposed, the objective statements did not have performance
measures associated with them.

MOTION Mr. Bennett moved the following resolution, "It is hereby resolved that the Lane Transit
VOTE District Board of Directors adopts the BRT pilot Corridor Goals and Performance Objectives
as revised. Mr. Kleger seconded the motion, which passed unanimously by acclamation.

PREPARATION FOR OCTOBER 18 JOINT OFFICIALS' MEETING ON TRANSPLAN:
Mr. Viggiano said that the third joint work session of the TransPlan adopting officials would
be held on Wednesday, October 18, 2000. The Board would be receiving a separate packet
with background information for that meeting.

Previously, the Board had requested that LTD be provided an opportunity to defer a decision to the other organizations of a TransPlan issue if that issue was determined not to be of significant relevance to LTD. At prior joint work sessions, that had not been an option; however, it would be implemented as an option for voting at this third work session.

Mr. Viggiano said that staff were recommending that the Board decide at this meeting the issues on which it would use the "opt out" option to ensure that some Board members were not voting differently at the joint work session. The list of currently unresolved issues was included in the agenda packet, which Mr. Viggiano reviewed.

The first six issues were ones that were left unresolved from the first two joint work sessions. Mr. Viggiano said that those issues would be discussed at the Metropolitan Policy Committee (MPC), and a decision to "opt out" of any of those issues would mean that the Board members would not participate in the resolution process at MPC. The last five issues would be discussed at the joint work session on October 18.

Ms. Wylie thought that the Board should maintain the positions that were taken at previous Board work sessions in which these issues all were discussed. If there was an issue that previously had not been discussed or one in which the Board had deferred its decision, the Board would not be prepared to vote on it at the joint work session. Mr. Viggiano said that in some cases, the Board already had taken a position, and those positions should be reaffirmed. It also was an opportunity for the Board to decide if it wanted to "opt out" of any decisions.

The County was suggesting some new language under Definition and Intent of Finance Policy #3: "Local jurisdiction funding sources, including federal payments to the County road fund, are allocated through local agency capital improvements program and are not subject to a regional prioritization process."

Mr. Gaydos asked if other jurisdictions had reviewed the suggested text. Mr. Viggiano said that he did not believe the other jurisdictions had reviewed it, and many of them would be considering the proposal without having had the opportunity to discuss it. There also were some funding sources that were under LTD's control, so this suggested text could influence how LTD planned for capital improvements as well. Mr. Viggiano said that ideally, transportation projects were funded in a regional priority setting through the Metropolitan Policy Committee (MPC).

Mr. Bennett thought it was very important to review the proposals that would be discussed at the joint work session so that each Board member would recall what discussion had taken place and any position decision the Board had made prior to voting.

Ms. Wylie asked if this would be a precedent, and LTD would need to include a protection statement for its federal funds. Mr. Viggiano said that currently, LTD funding was included in the regional priority setting process and was required to be included in the Statewide Transportation Improvements Program (STIP) and the local Transportation

Improvement Plan (TIP), which was approved by MPC, so to some extent, LTD already was part of the process.

Ms. Hocken asked if the formula funds also were subject to that process. Mr. Viggiano said that those projects had to be included in the STIP and TIP in order for LTD to apply for and use those funds. MPC basically endorsed the expenditure of those funds, but did not make decisions about allocating them.

Mr. Viggiano said that this was not an issue that would be discussed at the joint work session on October 18, but was an unresolved issue that would be discussed at the MPC level. MPC had decided to appoint two subcommittees to address the unresolved issues. One would consider the finance issues, while the other would work on roadway issues. One of the two LTD Board member representatives on MPC, Ms. Hocken, would be on the subcommittee that would discuss this issue, and it would be important for her to know what the Board's position was.

Ms. Hocken said that she would appreciate real clear instruction from the Board as she addressed these issues at the MPC level.

Mr. Bennett said that he did not want to dispute the County's recommendation. Mr. Gaydos agreed, and said that apparently, the previous language had stated that local funding sources were not subject to a regional prioritization process. One of those was the County Road Fund, and the County wanted that recognized. The question for the Board then, was if it wanted to recognize the County Road Fund as anything specific it wanted to control, and he did not think that was appropriate. Other Board members agreed.

Ms. Wylie also represented LTD at the MPC, and she would be assigned to the roadway issues subcommittee.

Mr. Viggiano then reviewed the remaining issues that would be discussed at the MPC level or at the joint work session. He explained that there were three finance policy issues that were being proposed by the City of Eugene. The Board had not discussed these issues during work session; however, during the August joint work session, the Board unanimously voted to not add the proposals to the Draft TransPlan. Staff were recommending that the Board remain involved in the resolution of those proposals because the distribution of funds clearly was something that could impact LTD. The Board then discussed each finance policy proposal.

With regard to Finance Issue #1, Mr. Kleger said that he thought that as an individual, he would try to do something in this area, but he thought that doing anything officially was a waste of time and money. It was something that needed changing, but he was concerned about spending the available resources for lobbying on this issue.

Mr. Bennett agreed. He wished there were more flexibility, and Mr. Kleger's point was well taken. The lobbying efforts would need to be made in an individual rather than official capacity. Board members voted individually at the joint work session, and all members had

voted against the proposal. Mr. Bennett thought the Board should collectively maintain that position.

Mr. Viggiano added that this was more of a state issue than a local issue, so a local plan really could not affect that. Government Relations Manager Linda Lynch added that policy did not necessarily commit the Board to spending lobbying resources, but it merely stated a position. At this point, the Governor had not made a final decision about what he would propose for a transportation package, but one of the things he had talked about was a proposal to break the trust fund to allow it to be used for transit.

Ms. Hocken said that there should be no prohibition in the draft TransPlan (the Plan) for seeking changes in current restrictions in federal transportation funding, and an affirmative statement in the Plan was not necessary, even if changes would be sought. Other Board members agreed. The Board members would oppose this proposal.

Finance Issue #2 also was proposed by the City of Eugene and would add a new policy statement to support full funding of bicycle project capital and operations and maintenance needs as identified in TransPlan. Mr. Viggiano said that at the August joint work session, the Board members had independently voted to oppose the proposal because it could limit the flexibility in allocating funding.

The Board members agreed to oppose the proposal at the joint work session.

Ms. Wylie said that she thought that in all of the issues, the Board needed to remember that it was in partnership with the other jurisdictions, particularly with BRT coming up, and it needed to be sensitive to the issues that were important to the other jurisdictions.

Mr. Gaydos asked what role LTD had in the full funding of bicycle projects. Mr. Viggiano said that LTD did not have a direct role in that issue; however, full funding of bicycle projects could mean that funds that LTD might be eligible for might not be available. Mr. Gaydos then asked if it would be wise to defer a decision on that issue or wise to oppose it due to the potential economic impact. The staff believed that anything that had an impact on how transportation funds were allocated would be of interest to LTD because it was competing for those funds. Mr. Gaydos agreed that the Board should oppose the proposal.

Mr. Kleger said that the Board ought to be involved in the discussions of all of the finance proposals, and should not take a terribly rigid position at MPC. The issues were not very critical to LTD, but they appeared to be all-or-nothing proposals, which created a difficult position for the Board and possibly was not appropriate in the context of the draft TransPlan. Mr. Bennett and Ms. Wylie agreed.

Finance Issue #3, which was proposed by the City of Eugene, would add a new finance policy statement to maintain transportation performance and improve safety by improving system efficiency and management before adding capacity. Mr. Viggiano said that he believed that most people agreed with the concept, but the concern was that if it were included as a policy statement in the Plan, it also would create a lack of flexibility.

The Board agreed to oppose the proposed policy statement as being too broad as written.

Roadway Issue #4 was a proposal from the City of Eugene to add a new Roadway Policy on Access Management. Mr. Viggiano said that the Board had discussed the issue at a prior work session. At that time, the Board was not necessarily opposed to the proposal, but believed that it was not necessary as there were other policies that related to access management. Staff recommended that the Board participate in the resolution of the issue as the roadway access policy could affect the implementation of BRT.

Ms. Hocken did not believe that the Board should defer its position. She said that she could see the policy affecting BRT because LTD could be seeking new or modified access to the road system as a result of the project, and the proposed policy envisioned adopting regulations to manage access to roadways. There already were new regulations from the Oregon Department of Transportation (ODOT).

Ms. Hocken said that the Springfield City Council was interested in the Plan maintaining a certain level of flexibility for the individual jurisdictions.

Mr. Kleger said that there did not appear to be language in the current draft Plan that would restrict a local jurisdiction from doing more than what the Plan called for, which would allow the City of Eugene to adopt regulations to manage access. Mr. Viggiano said that discussion most likely would occur at the MPC level.

Project Issue #5 was proposed by the City of Eugene and would add an I-5 Interchange study. Staff were recommending that the Board choose to defer this issue to the other adopting jurisdictions, though LTD would want to participate in the study if it was approved. The Board members agreed to "opt out."

Project Issue #6 was a proposal to move the Division Avenue Bridge to the "Future List," with an option to modify the project description. Staff were recommending that the Board "opt out" of this decision. The particular project would have no significant impact on LTD operations.

The remaining five issues would be discussed at the joint work session on October 18.

TDM Issue #7 was a proposal from the City of Eugene to change the Transportation Demand Management (TDM) Policy #1 to establish performance benchmarks, with mandatory TDM programs to be implemented if the benchmarks were not achieved. In previous Board discussion, the Board had agreed by consensus to not change the TDM policy. Staff were recommending that the LTD Board participate in the resolution of this issue since LTD had a primary role in the implementation of TDM. Mr. Viggiano said that this would be a very controversial policy because mandatory TDM was something that there were very strong opinions about on both sides of the issue. He believed that Springfield would be very opposed to the proposal, the City of Eugene would be in support, and he was not sure what the County's position might be.

Ms. Lauritsen said that she would oppose the issue. Mr. Gaydos also would be against it because he thought that benchmarks were difficult to define, which was why alternative performance measures were being proposed. He thought the TDM policy should remain more flexible.

Ms. Hocken said that she would be supportive of trying to determine appropriate benchmarks or performance measures without the requirement that if those were not met, mandatory TDM programs would be implemented.

The Board members agreed to no change to the TDM Policy #1, but to support Ms. Hocken's statement as a compromise position.

Nodal Development Issue #8 included proposed changes to the various nodal development issues that had resulted from a joint meeting of the Eugene and Springfield City Councils. Staff were recommending that the Board endorse the proposals. Board members agreed.

General Issue #9 was a request to add a goal relating to the area's status as a major regional center and developing a transportation system that addressed the needs of visitors to the area. While all four adopting agencies agreed to amend Goal 2, Eugene chose to add some language about visitors to the Definition/Intent of the goal, while the other three agencies preferred to add a statement to the goal itself, as well as an additional statement in the Definition/Intent. Since the differences in the positions taken did not appear to be major and essentially accomplished the same result, staff suggested that the Board agree that either position would be acceptable. Board members agreed.

Bicycle Issue #10 was a proposal from the City of Eugene to amend TSI Bicycle Policy #1 to add both new and existing development to the existing policy. Staff recommended that the Board "opt out" of the decision. Board members agreed.

Pedestrian Issue #11 was a proposal from the City of Eugene to amend TSI Pedestrian Policy #2 to strike the term "reasonably" from the policy statement. Staff recommended that the Board participate in the resolution of this issue. Pedestrian access was an important issue for transit users. Mr. Viggiano said that there were problems with removing the term "reasonably" because it was not always possible to provide direct travel routes for pedestrians. It would be in LTD's interest to maintain pedestrian connections. Board members agreed.

Mr. Kleger said that an example would be where there was a relatively short distance between two points, but an industrial site was situated in between those two points, the pedestrian access would be routed around the industrial site. The term "reasonable" was included because there were situations where safety would be an issue. He thought that dropping any reference to reasonability or practicability would take away the flexibility of the policy.

Ms. Hocken asked if the language was left alone, and the City of Eugene wanted to acquire property to make more direct pedestrian routing happen, it would have the right to do so. The Board members agreed to oppose this proposal.

Mr. Viggiano said that the other issue to be discussed at the joint work session was alternative performance measures that were being proposed because the Plan did not meet the 5 percent VMT reduction standard. There were four being recommended by staff. The transit measure that was being recommended was the number of households with access to 10-minute transit service. The current estimate was approximately 16 percent of households in the urban growth area that had access to 10-minute transit service during the day. The goal would be to double that number during the next 20 years.

Mr. Viggiano said that the Board had discussed the issue at its August 9, 2000, special meeting. At that time, the Plan projects indicated that 50 percent of the households would have access to 10-minute transit service, and one of the comments from the Board was to scale it down a bit to make it more likely to be accomplished. The 32 percent goal was a scaled down version of the earlier proposal. It was an attractive proposal because it was both a transit measure and a land use measure. It could be accomplished both by implementing more service and by locating more intense development around main corridors where the high transit service was located.

Mr. Bennett asked if there was another community in the state that was meeting the 5-percent VMT reduction mandate. Mr. Viggiano said there were none. Mr. Bennett asked if there were recent figures of what was happening in the state. Mr. Viggiano said that there was no recent data, but the trend was that automobile use was increasing. He believed that was still the case, although transit ridership nationwide actually had increased fairly significantly during recent years. Mr. Viggiano said that the modeling in the Plan was good modeling and was fairly complex. It was based on an analysis of data and was generated on a scientific method. If the policies in the Plan were implemented, the projected model would be achieved.

Ms. Wylie asked if special event transportation was considered. Mr. Viggiano said that he did not believe it was considered in the model. The modeling was based on typical weekday travel and predicted the typical use of a street.

Mr. Kleger asked if there was a reasonable way to include a VMT factor in the alternative measures without going all the way to a 5-percent reduction. Mr. Viggiano said an alternative VMT measure could be included that would keep VMTs even with no increase. He thought it would be important to acknowledge that VMTs were being tracked.

Mr. Viggiano said that any number of performance measures could be tracked. It was a different issue than which measures actually would be submitted to demonstrate compliance with the state rule. There could be a number of things that could be tracked locally to assist in decision making processes.

Ms. Hocken asked about the previous performance scenario that had been modeled in an attempt to determine what would work to reduce the VMT reduction figures, such as increasing the gas tax, charging a bridge toll, etc. She asked what the actual VMT reduction was under the scenario. Mr. Viggiano said that the scenario came very close to the 10-percent reduction, but it included some things, such as parking pricing, that most people believed could not be achieved. The modeling was not performed to determine what would be needed to achieve the 5-percent reduction.

Ms. Hocken asked about the timeline for TransPlan. Mr. Viggiano said that once the Plan was adopted, it would need to be updated every three to five years. Mr. Gaydos noted that there were many things happening, such as improvements to passenger rail service and BRT, and he thought it would be more interesting in the future to see the impact of those things. He thought it would be easier to react to those impacts rather than attempting to make projections to create the ultimate.

Mr. Viggiano said that staff were recommending that the Board support the four alternative performance measures as presented in the TransPlan packet.

The Board members agreed to support the four alternative performance measures.

SCHEDULE BOARD STRATEGIC PLANNING WORK SESSION: The Board members selected January 19 and 20, 2001, as the dates for the annual two-day strategic planning work session.

BOARD MEMBER REPORTS: 1) MPC. Ms. Hocken said that MPC had discussed the process for resolving the TransPlan issues, which resulted in the two subcommittees.

2) Statewide Livability Forum. Ms. Lauritsen reported that the next meeting would be held on November 7, 2000.

3) BRT Steering Committee. Mr. Bennett said that an important part of the meeting was a discussion about the treatment of the tree removal issue on Franklin Boulevard. The discussion centered around the entire segment being held up because of 17 trees, most of which might not have been selected for the area had they been selected today. The general consensus was to recommend to the Board to try to move the issue to a vote and to implement the plan based on the fundamental principles and criteria that BRT otherwise would have. Ms. Wylie added that it was time for the Board to reaffirm its goals for BRT. Mr. Bennett said that based on the criteria, the Board should emphasize the landscaping being planned with the BRT implementation in order to make a strong case about the trees.

Mr. Bennett reported that the Glenwood alignment also was discussed and was a tough issue. Because future projections showed that the area between Franklin Boulevard and the river would become more intensely developed and because of cost issues, the Committee wanted to keep the alignment on Franklin Boulevard. The Franklin alignment would create another lane, but without guideways or barriers, and the Committee was willing to allow for turning access into and out of the businesses along Franklin. The business owners were

concerned that allowing BRT on Franklin eventually would lead to having ODOT or another agency coming in and restricting access and turning movements at a later date. Mr. Bennett said that while the Committee continued to work on the alignment, it was difficult.

The 14th Street alignment currently had more support than the Franklin alignment. However, a letter was received from Tammy Fitch, the Springfield Council representative on the Steering Committee, that suggested that the Committee continue to consider operating in mixed traffic on Franklin Boulevard in Glenwood. Not all of the Committee members agreed with that. Mr. Bennett was very discouraged by that suggestion coming in after all the work the Committee had done.

Ms. Hocken added that she also was discouraged by the letter from Ms. Fitch. She thought that a compromise needed to be made that would be more acceptable to the partner agencies and to find a way to move forward with the project. She thought that staff were working on ways to take the suggestion and make it work. She looked forward to more information from staff and an opportunity to discuss the suggestion with Ms. Fitch. The Board still had much work to do to get to approval of the pilot corridor through the partner agencies.

Ms. Wylie said that she had been counting on Ms. Fitch's support and participation to assist with the Springfield City Council approval process. She thought it was important to find a way to compromise on the Glenwood alignment. Staff had assured the Board that the important thing was to get the route established and then to work on the concepts.

Ms. Hocken said that the 14th Avenue alignment alternative would increase the cost of the project by 15 to 20 percent. Since the grant assistance was not what had been hoped for, it was important to look at the costs very seriously as well as to work out a compromise.

Ms. Hocken said that she did not think as a District, LTD should shy away from a vote on the trees. Mr. Gaydos agreed. If the City's attorney determined that a vote was necessary, Ms. Hocken thought LTD needed a design that would work for the long term that would include landscaping to be presented to the public. There were many positive aspects to removal of the trees, such as avoiding taking an existing lane of traffic.

The Board directed staff to prepare a Glenwood design alternative that would be presented for consideration to the LTD Board BRT Advisory Committee prior to being presented to the full Steering Committee.

Mr. Hamm said that staff believed that the Franklin alignment from I-5 west was important to go to the vote and to not compromise that segment of BRT. If that piece were in place along with the right vehicle application, it would generate momentum to further the BRT project in the community.

Mr. Viggiano added that the letter from Ms. Finch was included in the Board packet on page 73.

4) Springfield Station Steering Committee. Mr. Kleger reported that the Committee continued to await the Environmental Assessment.

5) Eugene Downtown Visioning. Mr. Bennett reported that the Committee would meet on Thursday, October 19. A draft summary of prior discussions had been received, and Mr. Bennett briefly reviewed the summary. The draft would be edited by the Committee members, and the Board members would be provided with copies.

Mr. Bennett said that the downtown shuttle had yet to be proven, but from LTD's perspective, was very important.

Ms. Wylie noted that the Springfield Renaissance Committee also was conducting the same type of study, and LTD's proposed Springfield Station would be very important to that planning. She asked that the Board be kept apprised of the progress made from that Committee.

6) Board Finance Committee. Ms. Hocken reported that the Finance Committee met on October 4, 2000, to discuss the financing of the BRT vehicles. Staff would make a presentation about BRT vehicles later in the meeting. In addition, the Finance Committee discussed the LTD Investment Policy, which also would be presented to the entire Board at a later meeting.

GENERAL MANAGER'S REPORT: Mr. Hamm said that during the recent American Public Transportation Association (APTA) conference in San Francisco, Ms. Wylie and other staff members had met with other BRT consortium members to discuss the reauthorization process. Mr. Hamm was the Region VI Director for the western states on the APTA Board of Directors. He hoped to get involved at the committee level with reauthorization.

Ms. Wylie said that she wanted to provide her feedback from the conference, but would do so at a later meeting.

MONTHLY FINANCIAL REPORT – AUGUST AND SEPTEMBER FINANCIAL STATEMENTS: Ms. Hellekson said that the first quarter of Fiscal Year 2000-01 was complete, and to date, the finances were in good shape. Fare revenue was of some concern, and personnel costs were in line with the budget. Capital costs were of concern because federal funding came in much lower than expected. Phase 1 of the pilot corridor of BRT was fully funded, but staff would be reviewing and revising the other major capital items, such as the Springfield Station and fleet replacement. Ms. Hellekson also said that the audit had been completed and would be reported to the Board in November.

BUS RAPID TRANSIT VEHICLE UPDATE: Mr. Viggiano said that Fleet Services Manager Ron Berkshire was present to discuss some of the vehicles that were being considered. It was hoped that a decision on the vehicles would be made within the next few months. Staff wanted to involve other groups in the decision process, such as the BRT Steering Committee, the various planning commissions, City Councils, and the County Commissioners.

Mr. Hamm reiterated that Phase 1 of the pilot corridor for BRT was fully funded, and the Board members should take the opportunity to let people know that Phase 1 was funded. The other issue that should be discussed in the community was the vehicles and the commitment to clean vehicles that the Board made at the September Board meeting.

Mr. Bennett asked about the federal funding for all LTD requests. Ms. Lynch said that all approved project requests were funded through the same congressional discretionary fund, and in a sense, LTD's project requests competed against one another as well as against hundreds of requests from all across America. The Federal Transportation Administration (FTA) no longer had a role in the disbursement of those funds. Oregon had no representation on the congressional appropriations committee.

Mr. Bennett said that LTD had a relatively new approach with BRT and was in the lead for communities this size in doing something to make a difference that had not been done before, and the FTA had recognized that. The FTA was working to find ways to fund the new technologies, such as BRT, which would compete with the rail funding that historically had been given priority status for funding.

Mr. Gaydos said that when discussing the funding in the community, the Board needed to have answers for questions about how the rest of the BRT project would be funded and about the possibility that phase 1 of the pilot corridor would be all LTD would get. Mr. Viggiano said that even if phase 1 was as far as the project went, it still would be a valuable service. As LTD used up reserves and federal funding continued to be low, Mr. Gaydos said that the sense of selling to the community would become a more difficult.

Assistant General Manager Mark Pangborn said that Tri-Met had put in part of a bus mall through downtown Portland. People could drive through part of the area, and the other part included an exclusive bus lane. At the time, Tri-Met had said that if it never was expanded, it still would be an improvement over what had been there previously. Now, several years later, the citizenry of Portland were supportive of expanding the bus mall.

Mr. Berkshire then provided photographs and a description of the vehicles that were being considered. Staff were considering a Gillig low-floor standard diesel bus at a cost of \$280,000 per unit; a Transportation Techniques (Trans Tech) hybrid-electric bus at a cost of \$450,000 per unit; and a French-made Cavis diesel-electric bus at a cost of \$1,100,000 per unit. Mr. Berkshire also compared the specifications on each style of bus.

Mr. Bennett asked if it was possible that Trans Tech could pick up some of the positive design elements of the Cavis bus. Mr. Berkshire said that Trans Tech was quite flexible, and the basic structural design of the vehicle lent itself to modification without too much trouble.

Mr. Berkshire said that he would be visiting the Trans Tech plant in November, and he would discuss those issues with the Trans Tech staff.

Mr. Bennett said that while he fully supported a sleek-design vehicle and thought it was vital to the success of BRT, he was hopeful that the Trans Tech company would be able to come up with a design that looked more like the Civis.

Ms. Wylie said that the FTA was sponsoring a vehicle design competition among the manufacturers. It was unknown what impact the competition would have in the manufacturing industry. Mr. Viggiano thought that the looks of the Civis vehicle had created a lot of interest in the United States. He believed that eventually, the U.S. market would respond to that interest. How long that would be was unknown, but eventually, as U.S. manufacturers caught on, the price of that type of vehicle would come down.

Mr. Berkshire said that it was unknown whether the Civis bus could be delivered on time and the Trans Tech bus could be delivered within a much shorter time frame. The Trans Tech company was familiar with the Civis and appeared to be very interested in adopting some of those design features.

Mr. Bennett did not think that the Trans Tech bus, as presented, came close to the vision for the BRT project. He said that he would continue to argue for the sleeker looking bus, and would do so even if the project was begun with regular buses, knowing that the sleeker looking buses were coming.

Mr. Viggiano and BRT Engineer Graham Carey would be visiting the Civis plant in France as part of a BRT consortium trip, and they would be able to provide more information following that visit.

Mr. Gaydos said that he was concerned about the cost of the Civis bus, and he wanted to have quiet, clean running buses. He was not comfortable putting money into existing engine technology if there were plans to transition the entire fleet to something else.

Ms. Hocken asked about the engine technology, and if it would be more efficient to have BRT vehicles with the same engine type, such as those that were being ordered for the downtown shuttle with the Capstone hybrid-electric engine. Mr. Berkshire said that it would be more efficient as far as fleet maintenance was concerned.

BRT Marketing Representative Dan Tutt added that the Civis was designed to ultimately operate with the fuel-cell technology. Mr. Berkshire noted that the fuel-cell technology was not advanced to the point that it should be considered at this time; however, he believed it was the fuel of the future.

ADJOURNMENT: Ms. Wylie asked if Board members had any comments or questions about the remaining agenda items, which included a bus rapid transit update, board correspondence, and the monthly staff report. There being none, Ms. Wylie adjourned the meeting at 9:38 p.m.

AGENDA ITEM SUMMARY

2

DATE OF MEETING: NOVEMBER 15, 2000

ITEM TITLE: OCTOBER FINANCIAL STATEMENTS

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: Because of the early Board meeting date in November, and the cutoff dates for the various components of the month-end financial close, it was not possible to complete the October financial statements in time for inclusion in the Board packet that includes this memorandum. However, monthly financial statements will be distributed to Board members in advance of the November 15th meeting by special messenger. Staff regret any inconvenience that this unavoidable delay may cause.

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

2

DATE OF MEETING: November 15, 2000

ITEM TITLE: OCTOBER FINANCIAL STATEMENTS

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: Financial results for the first four months of the fiscal year are summarized in the attached reports. Total General Fund revenue was \$276,794 over budget through September, due to strong interest earnings and the strength of payroll tax receipts. Passenger fare revenue, which had lagged through the first quarter, rebounded slightly in October, but is still \$99,400 below budget year-to-date. Ridership gains since school began in September should help reduce this deficit over the next several months. Ridership will be discussed in a separate agenda item.

Although other revenue line items show negative year-to-date variances, none represents a source of concern at this time. Miscellaneous revenue was budgeted in even monthly increments, but generally is received in lump sums. Revenues from all three tax programs are expected to meet budget expectations for the fiscal year.

Administration personnel costs are according to plan for the first four months of the fiscal year. Amalgamated Transit Union employee costs are also generally in line with budget year-to-date. As previously reported, many of the new ATU contract provisions are phased in throughout the year (e.g., another wage adjustment on January 1, 2001), and the new contract assumed some changes in the way that work is assigned in Transit Operations that have not yet been implemented. There also is a provision in the new contract to add five minutes to paid driver preparation time that has yet to be implemented. Therefore, personnel costs will continue to be watched closely in the coming months. There is no margin for error in the current-year ATU personnel budget.

Fuel prices remain high. The most recent diesel purchases were in the \$1.22 to \$1.26 per gallon range, still well above the \$.83 per gallon included in this year's budget. Year-to-date diesel fuel expenditures are more than \$46,000 over budget. If there is no significant downward trend in the coming months, the General Fund could see a negative year-end variance in the range of \$200,000.

An anomaly to note is the apparent sharp increase in insurance costs over last year. In fact, staff recently discovered a billing error that resulted in overpayment. The insurance carrier is working to correct the error, and future reports will show a more reasonable year-to-year comparison of insurance/liability expenses. Public Affairs materials and services has increased dramatically, because it absorbed the cost of the youth advertising campaign. The Commuter Solutions program is more active this year than last, and received significantly more Surface Transportation Program (STP) funding, which has resulted in more spending this year. Other than fuel, there are no material expenditure budget issues that are of concern at this time.

The Special Transportation Fund and Capital Fund are as expected through October.

The FY 2001-02 budget development process is underway. First steps are the establishment of capital priorities and the identification of funding, the update of the Long-range Financial Plan assumptions, and the definition of outcomes by which operating fund activities will be defined and against which they will be measured. The Finance Committee will be informed of and involved in these discussions, which will lead to the update of both the Capital Improvements Program (CIP) and the Long-range Financial Plan, as well as completion of next fiscal year's proposed budget.

ATTACHMENTS:

Attached are the following financial reports for Board review:

1. Operating Financial 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



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RESOLUTION

WHEREAS, Springfield resident Bob Adams has demonstrated the highest standard of public service; and

WHEREAS, he has represented the interests of the residents of Springfield with great dedication for many years; and

WHEREAS, Bob Adams is retiring from the Springfield Utility Board;

NOW, THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors recognizes and honors Bob Adams for his years of service to the Springfield Utility Board and the community of Springfield, Oregon.

Date

President, Board of Directors

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AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: ANNOUNCEMENTS AND ADDITIONS TO AGENDA

PREPARED BY: Jo Sullivan, Executive Assistant

ACTION REQUESTED: None

BACKGROUND: This agenda item provides a formal opportunity for Board members to make announcements or to suggest topics for current or future Board meetings.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** November 15, 2000
- ITEM TITLE:** ACCEPTANCE OF AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2000
- PREPARED BY:** Diane Hellekson, Finance Manager
- ACTION REQUESTED:** That the Board accept the independent audit report for the fiscal year ending June 30, 2000.
- BACKGROUND:** At the conclusion of each fiscal year, an independent audit of Lane Transit District's financial statements and internal controls is performed. The results of the independent audit are incorporated into the District's Comprehensive Annual Financial Report (CAFR). The completed FY 1999-2000 CAFR appears as an attachment to an information item for the November 15th agenda. Please note that the opinion statements cannot be considered separate from the financial statements to which they refer, and are included as attachments here for the convenience of the Board.
- Staff submitted FY 1995-96, FY 1996-97, FY 1997-98, and FY 1998-99 CAFRs to the Government Finance Officers Association of the United States and Canada (GFOA) for consideration of the award for excellence in financial reporting. The award was granted to LTD for all four reports. After Board acceptance, staff will submit the FY 1999-2000 CAFR to GFOA in an attempt to continue a tradition of reporting excellence as evidenced by the financial reporting award. Special recognition should be given to Carol James, Accounting Supervisor, for her work on the current CAFR.
- Charles Swank of Grove Mueller and Swank, P. C., will attend the November Board meeting to make a presentation and answer any questions Board members may have about the audit process or results. There is no formal management letter this year.
- ATTACHMENT:** Independent Auditor's Opinion and Reports
- PROPOSED MOTION:** I move the following resolution: Resolved, that the LTD Board of Directors accepts the Independent Audit Report for the fiscal year ending June 30, 2000.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: BOARD ACTIVITY CALENDARS

PREPARED BY: Jo Sullivan, Executive Assistant

ACTION REQUESTED: None

BACKGROUND: Attached for the Board's information are updated calendars showing Board-related activities from November 2000 through March 2001. Board members are asked to note the dates of specific meetings and activities and let staff know if you will be unavailable for any of them.

ATTACHMENTS: Board Activity Calendars – November 2000 through March 2001

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

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 **Metropolitan Policy Committee:** MPC meetings are held on the second Thursday of each month. At the Board meeting, LTD's MPC representatives Pat Hocken and Hillary Wylie can provide a brief report on the November 9, 2000, MPC meeting, and on the two subcommittees to which they have been assigned. The next MPC meeting is scheduled for December 14, 2000.
- b **Statewide Livability Forum:** Board member Virginia Lauritsen has taken Pat Hocken's place on the statewide committee called the Livability Forum, as one of 12 participants from the Eugene/Springfield area. Board member Gerry Gaydos also is on the committee, based on his past participation on the Valley Transportation Advisory Committee rather than his LTD Board affiliation. This committee has been meeting once every six months, and last met on November 2, 2000. At the November 15 Board meeting, Ms. Lauritsen and Mr. Gaydos can report to the Board on Forum activities.
- c **BRT Steering Committee / Public Design Workshops / Walkabout Input:** Board members Pat Hocken, Rob Bennett, and Hillary Wylie are participating on LTD's BRT Steering Committee with members of local units of government and community representatives. The Steering Committee generally meets on the first Tuesday of the month, and last met on November 7. The next BRT Steering Committee meeting is scheduled for December 5, 2000, at 5:30 p.m. At the November 15 Board meeting, Committee Chair Rob Bennett and the other LTD Board representatives can

respond to any questions the Board may have about this committee's activities.

- d **Springfield Station Steering Committee:** LTD Board members Dave Kleger, Ginny Lauritsen, and Hillary Wylie participated on this committee with representatives of other local units of government and the community, to consider sites for a new Springfield Station. Former Board member Mary Murphy chaired the committee. The Committee held what is believed to be its final meeting on June 1. Whether the committee meets again depends on the results of the environmental assessment of the preferred site. The committee's site recommendation may be forwarded to the LTD Board in December, following discussion by the Springfield City Council.
- e **Eugene Downtown Visioning:** Board member Rob Bennett participated on a committee to develop a vision for the area including downtown Eugene to the Willamette River to Interstate 5. The committee held its final meeting on November 2. On November 15, Mr. Bennett can update the Board about this committee's work.
- f **Lane County Board of Commissioners Meeting:** On October 31, Board Member Pat Hocken attended a meeting of the Lane County Commissioners at which the Commissioners discussed bus rapid transit issues. She can provide a verbal report at the November 15 Board meeting.
- g **Board Finance Committee:** The Board Finance Committee (Chair Pat Hocken and members Gerry Gaydos and Virginia Lauritsen) met again on November 8. At the November 15 Board meeting, Ms. Hocken can provide an update for the full Board.
- h **Board General Manager Evaluation Committee:** The Board Committee formed to develop general manager performance evaluation tools (Hillary Wylie, Rob Bennett, and Pat Hocken) met on October 23. They can provide an update to the Board at the November Board meeting.

ATTACHMENT: None

PROPOSED MOTION: None

JANUARY 2001 – BOARD ACTIVITIES

(Dates of full-Board activities are shaded.)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 NEW YEAR'S DAY	2 5:30 p.m. BRT Steering Committee	3	4	5	6 <i>Men's basketball Oregon State at UO</i>
7	8	9	10	11 11:30 a.m. MPC Meeting <i>Men's basketball UO at California</i>	12	13 <i>Men's basketball UO at Stanford</i>
14	15 <i>Martin Luther King Day (Holiday for some Board members?)</i>	16 5:30 p.m. Board Work Session (tentative)	17 5:30 – 7 p.m. BRT Review Mtg #2 Eugene City Council 5:30 p.m. Regular Board Meeting	18 <i>Men's basketball Washington at UO</i>	19 BOARD STRATEGIC PLANNING RETREAT	20 BOARD RETREAT <i>Men's basketball Washington State at UO</i>
21	22 5:30 – 7 p.m. BRT Review Mtg #3 Eugene City Council	23	24	25 <i>Men's basketball UO at USC</i>	26	27 APTA General Managers' Seminar, Phoenix <i>Men's basketball UO at UCLA</i>
28 APTA GENERAL	29 MANAGERS'	30 SEMINAR,	31 PHOENIX, AZ			

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

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

- October 21, 2000, letter regarding LCC service from Charrlotte Behm to Board President Hillary Wylie, with response

At the November 15, 2000, meeting, staff will respond to any questions the Board members may have about this correspondence.

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: BRT UPDATE

PREPARED BY: Stefano Viggiano, Planning and Development Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: **Environmental Assessment (EA):** The draft EA has been released for public comment. The official public comment period will extend through December 8, 2000. Notice of the availability of the document has included a legal notice, newspaper advertisement, and a postcard mailing to all people on the BRT "interested parties" list. Two open houses designed to provide opportunities for public review and comment on the document have been scheduled. One will be held in downtown Eugene on November 28, 2000, and the other will be held in Glenwood on November 29, 2000. Written comments will be accepted throughout the public comment period.

Phase 1 Review and Approval: With the release of the draft EA, the official Phase 1 review process has started. The review schedule is listed below.

- Springfield Planning Commission: November 21, 2000
- Springfield City Council: December 11, 2000

- Eugene Planning Commission: November 6, 2000; November 20, 2000; December 4, 2000 (tentative)
- Eugene City Council: December 13, 2000; January 17, 2001; January 24, 2001 (if needed)

- Lane County Planning Commission/Roads Advisory Committee: December 5, 2000
- Board of County Commissioners: mid to late January

- Oregon Transportation Commission (update only): February 2001

The initial meeting with the Eugene Planning Commission generated a number of questions. The Planning Commission believes that a third meeting will need to be scheduled in order to complete their review of Phase 1. It tentatively has been scheduled for December 4, 2000.

Glenwood Alignment: An option for a modified Franklin Boulevard alignment has been developed. The option involves having buses travel primarily in the left travel lane between median stations. Transit priority includes signal priority, exclusive lanes in some areas, and queue-jumpers at congested intersections. While this approach does not meet the Board objective of 100 percent exclusive transit right-of-way, it may be appropriate given the relatively low level of congestion along that corridor segment and the uncertainty of the redevelopment direction of Glenwood. This approach is expected to be temporary, with a more complete BRT system implemented along the corridor in the future. The BRT Steering Committee discussed this option at their November 7, 2000, meeting. The option also will be discussed by the Glenwood Advisory Committee later this month.

Franklin/UO Alignment: The BRT Steering Committee was scheduled to discuss the Franklin/UO alignment at their meeting on November 7, 2000. However, the Committee ran out of time and only briefly touched on the alignment question. Committee members asked that they be polled about the issue. If the polling has been completed by the November 15 LTD Board meeting, it may be that an action item to approve a preferred Franklin/UO design will be brought to the Board.



Lane Transit District
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CONSENT CALENDAR ITEM

LANE TRANSIT DISTRICT INVESTMENT POLICY

Proposed Revision

Prepared by Diane Hellekson, Finance Manager
November 15, 2000

As part of a comprehensive consideration of all Lane Transit District policies, the policy governing the investment of District funds has been reviewed by staff and the Finance Committee of the Board. As a result of this review, a revised investment policy has been proposed. The purpose of the revision is to:

- Allow for better risk management by specifying minimum acceptable diversification requirements
- Provide for the opportunity to enhance investment returns by changing risk tolerance from none to prudent level
- Authorize longer-term maturities when the Board specifies capital set-asides for specific projects or debt defeasance
- Specify a standard by which the portfolio returns will be measured

The Finance Committee discussed this policy at meetings held on October 4, 2000, and November 8, 2000. On November 8, the Committee unanimously approved the policy, as revised, which follows this cover memorandum. All members of the Committee were present. If approved by the full Board, the new policy would be effective November 16, 2000.



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CONSENT CALENDAR ITEM

REPEAL OF OBSOLETE OR SUPERSEDED PROCEDURES

Prepared by Ken Hamm, General Manager
November 15, 2000

BACKGROUND:

In reviewing a number of policies and procedures of the District, staff and District counsel have determined that the Board Policy Manual, created as a very specific document approximately 20 years ago, and the Contested Case Hearing Procedures, adopted in July 1997, have become obsolete or have been superseded in part by subsequently-enacted laws, policies, or procedures. Modification has been determined to be unnecessary.

STAFF RECOMMENDATION:

Staff recommend that the above-identified items be repealed at the November 15, 2000, Board meeting.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: CONSENT CALENDAR

PREPARED BY: Jo Sullivan, Executive Assistant

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 November 15, 2000:

1. Approval of minutes: October 16, 2000, special Board meeting
2. Repeal of Obsolete or Superseded Procedures
3. Proposed Revision of LTD Investment Policy

ATTACHMENTS:

1. Minutes of the October 16, 2000, regular Board meeting
2. Staff Report – Repeal of Obsolete or Superseded Procedures
3. Staff Report – LTD Investment Policy, Proposed Revision

PROPOSED MOTION: I move that the Board adopt the following resolution: It is hereby resolved that the Consent Calendar for November 15, 2000, is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: SET DATE FOR DECEMBER BOARD MEETING

PREPARED BY: Jo Sullivan, Executive Assistant

ACTION REQUESTED: Determine whether there will be a quorum for the regular monthly meeting in December or a different date needs to be scheduled

BACKGROUND: The third Wednesday in December falls on December 20. A Monday work session, if needed, normally would fall on December 18. Staff would like to know whether Board members will be in town and available to attend the Board meetings on these dates. If a quorum will not be present, the meetings could be moved one week earlier, to December 11 and 13, or to other dates of the Board's choosing.

RESULTS OF RECOMMENDED ACTION: Should an alternate date be chosen for the regular monthly meeting, staff will advertise cancellation of that monthly meeting and the calling of a special meeting on the date selected by the Board.

ATTACHMENT: December 2000 Board Activity Calendar

PROPOSED MOTION: None necessary

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: DECEMBER 2000 EMPLOYEE OF THE MONTH

PREPARED BY: Jo Sullivan, Executive Assistant

ACTION REQUESTED: None

BACKGROUND: **DECEMBER 2000 EMPLOYEE OF THE MONTH:** General Service Worker Rodney Johnson has been selected as the December 2000 Employee of the Month. Rod originally was hired by the District for the position of bus cleaner on August 31, 1977. He was promoted to the position of shop helper/luber in May 1978, and in June 1978 was reclassified to the position of general service worker. In 1999 he earned a 20 Years Safe Worker award. Rod was nominated for this award by his co-workers in the Fleet Services Department, who said that he is always willing to help his fellow employees and is a very good friend to many. They also said that he is hard working, always has a smile, and puts everyone first before himself; that he is respectful, honest, and kind hearted; that he is always in a good mood and ready to help with everything; that he is a very likable guy; and that he is always there, always willing, never asking why, and just getting it done!

When asked what makes Rod a good employee, Fleet Services Supervisor Don Swearingen said that he truly appreciates Rod, who is an exceptional team player. The last several months, he and four other general service workers pulled together to cover the work normally done by six general service workers. This entailed working on their days off and additional hours on a regular workday. Rod played a critical part in getting buses fueled, washed, and lubed. He also helps with training of new employees. His cooperation, pleasantness, and work ethics make him a valuable part of the Fleet Services team.

Our congratulations to Rod on his selection!

AWARD: Rod will attend the November 15 meeting to be introduced to the Board and receive his award.

MONTHLY FINANCIAL REPORT COMMENTS

November 15, 2000

Revenue:

- **Passenger fares** are below budget for the first four months, but are starting to rebound due to increased ridership. The youth program, aimed at attracting young riders with reduced fares, is doing very well and has met program goals thus far.
- **Special service** receipts are behind those of last year due to the change in the home football game schedule this year. This category is expected to meet annual budget.
- **Miscellaneous revenue** was inaccurately anticipated by the current budget. This revenue tends to be received in either small, irregular amounts, or large lump sums at unpredictable intervals. However, this category is expected to meet annual budget.

Expense:

- **Administration personnel** expenses are on budget year-to-date.
- **Contract personnel** expenses are on budget to date, but the annual expense is expected to be tight versus budget. The retroactive provisions of the new ATU contract were posted in August. Prospective provisions and their effect will be discussed as they are implemented.
- **Materials and services** expenses generally are as anticipated by the budget. A notable exception is diesel fuel expense, which almost certainly will exceed budget for the year. Whether or not this overage will require remedial action will be determined later in the fiscal year.
- **Capital** expenses also are as anticipated by the budget. It should be noted that LTD will receive only \$1 million of the \$6.9 million requested as part of the United Front appeal for federal discretionary funding, and none of the \$5 million requested for a new Springfield Station. The revised Capital Improvement Program and Long-range Financial Plan will address concerns raised by funding uncertainty. Funds for the BRT pilot corridor already have been identified and/or set aside.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

PREPARED BY: Jo Sullivan, Executive Assistant

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. **Fiscal Year 2001-2002 Service Recommendations:** A public hearing on proposed service adjustments for next fiscal year is scheduled for the December 20, 2000, regular Board meeting. The Board will be asked to approve a final service package at the January 17, 2001, Board meeting.
- B. **Board Committee Assignments:** With the resignation of Dean Kortge and the appointment of a replacement Board member, Board committee assignments will need to be reconsidered, possibly as early as the December Board meeting.
- C. **Budget Committee Appointment:** One LTD Budget Committee member's term will expire on January 1, 2001. A nomination to fill that position will be include in the December 2000 or January 2001 agenda packet.
- D. **Springfield Station Site Selection:** After the environmental assessment is available, the Board will be asked to make a decision regarding the site for the new Springfield Station. Staff hope that this decision can be made at the December 2000, regular meeting.
- E. **Bus Rapid Transit Phase 1 Decision:** It is anticipated that a Board decision regarding Phase 1 of the bus rapid transit project will need to be made during the winter of 2000.
- F. **Board Strategic Planning Work Session:** At the October meeting, the Board scheduled a two-day strategic planning work session for January 19-20, 2001. Staff will work with the Board to set the agenda for this important planning session.

- G. **TransPlan Draft Plan Approval**: It is anticipated that approval of the Draft TransPlan could occur in December 2000.
- H. **FY 2001-2002 Pricing Plan and Fare Ordinance**: A public hearing and approval of the recommended FY 2001-2002 pricing plan will be scheduled for the February 21, 2001, regular Board meeting. The first reading of the amended fare ordinance will be scheduled for March 21, 2001, and the second reading and adoption will be scheduled for the April 18, 2001, regular Board meeting.
- I. **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.
- J. **Quarterly Performance Reporting**: Staff will provide quarterly performance reports for the Board's information in February, May, August, and November each year.

Appendix I.

Oregon Revised Statutes – Chapter 294

294.035 Investment of surplus funds of political subdivisions; approved investments. Subject to ORS 294.040 and 294.135 to 294.155, the custodial officer may, after having obtained a written order from the governing body of the county, municipality, political subdivision or school district, which order shall be spread upon the minutes or journal of the governing body, invest any sinking fund, bond fund or surplus funds in the custody of the custodial officer in the bank accounts, classes of securities at current market prices, insurance contracts and other investments listed in this section. However, the custodial officer of any county shall make no such investment of funds belonging to any municipality, political subdivision or school district, unless and until the custodial officer has received a written order from the governing body of the municipality, political subdivision or school district to which the funds belong, which order authorizes the custodial officer to invest the funds, and which order has been spread upon the minutes or journal of the governing body. This section, however, shall not limit the authority of the custodial officer to invest surplus funds in other investments when the investment is specifically authorized by another statute. Investments authorized by this section are:

- (1) Lawfully issued general obligations of the United States, the agencies and instrumentalities of the United States or enterprises sponsored by the United States government.
- (2) Lawfully issued debt obligations of the agencies and instrumentalities of the State of Oregon and its political subdivisions that have a long-term rating of A or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization.
- (3) Lawfully issued debt obligations of the States of California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating of AA or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization.
- (4) Time deposit open accounts, certificates of deposit and savings accounts in insured institutions as defined in ORS 706.008 that maintain a head office or a branch in this state.
- (5) Share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

(6) Fixed or variable life insurance or annuity contracts as defined by ORS 731.170 and guaranteed investment contracts issued by life insurance companies authorized to do business in this state.

(7) Trusts in which deferred compensation funds from other public employers are pooled, if:

(a) The purpose is to establish a deferred compensation plan;

(b) The trust is a public instrumentality of such public employers and described in section (2)(b) of the Investment Company Act of 1940, 15 U.S.C. 80a-2(b), as amended, in effect on September 20, 1985, or the trust is a common trust fund described in ORS 709.170;

(c) Under the terms of the plan the net income from or gain or loss due to fluctuation in value of the underlying assets of the trust, or other change in such assets, is reflected in an equal increase or decrease in the amount distributable to the employee or the beneficiary thereof and, therefore, does not ultimately result in a net increase or decrease in the worth of the public employer or the state; and

(d) The fidelity of the trustees and others with access to such assets, other than a trust company, as defined in ORS 706.008, is insured by a surety bond that is satisfactory to the public employer, issued by a company authorized to do a surety business in this state and in an amount that is not less than 10 percent of the value of such assets.

(8)(a) Banker's acceptances, if the banker's acceptances are:

(A) Guaranteed by, and carried on the books of, a qualified financial institution;

(B) Eligible for discount by the Federal Reserve System; and

(C) Issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

(b) For the purposes of this subsection, "qualified financial institution" means:

(A) A financial institution that is located and licensed to do banking business in the State of Oregon; or

(B) A financial institution that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon.

(c) A custodial officer shall not permit more than 25 percent of the moneys of a local government that are available for investment, as determined on the settlement date, to be invested in banker's acceptances of any qualified financial institution.

(9)(a) Corporate indebtedness subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. Corporate indebtedness described in this subsection does not include banker's acceptances. The corporate indebtedness must be issued by a commercial, industrial or utility business enterprise, or by or on behalf of a financial institution, including a holding company owning a majority interest in a qualified financial institution.

(b) Corporate indebtedness must be rated on the settlement date P-1 or Aa or better by Moody's Investors Service or A-1 or AA or better by Standard & Poor's Corporation or equivalent rating by any nationally recognized statistical rating organization.

(c) Notwithstanding paragraph (b) of this subsection, the corporate indebtedness must be rated on the settlement date P-2 or A or better by Moody's Investors Service or A-2 or A or better by Standard & Poor's Corporation or equivalent rating by any nationally recognized statistical rating organization when the corporate indebtedness is:

(A) Issued by a business enterprise that has its headquarters in Oregon, employs more than 50 percent of its permanent workforce in Oregon or has more than 50 percent of its tangible assets in Oregon; or

(B) Issued by a holding company owning not less than a majority interest in a qualified financial institution, as defined in subsection (8) of this section, located and licensed to do banking business in Oregon or by a holding company owning not less than a majority interest in a business enterprise described in subparagraph (A) of this paragraph.

(d) A custodial officer shall not permit more than 35 percent of the moneys of a local government that are available for investment, as determined on the settlement date, to be invested in corporate indebtedness, and shall not permit more than five percent of the moneys of a local government that are available for investment to be invested in corporate indebtedness of any single corporate entity and its affiliates or subsidiaries.

(10) Securities of any open-end or closed-end management investment company or investment trust, if the securities are of the types specified in subsections (1) to (3), (8) and (9) of this section and if the investment does not cause the county, municipality, political subdivision or school district to become a stockholder in a joint company, corporation or association. A trust company or trust department of a national bank while acting as indenture trustee may invest funds held by it as indenture trustee in any open-end or closed-end management investment company or investment trust for which the trust company or trust department of a national bank or an affiliate of the trust company or trust department of a national bank acts as investment adviser or custodian or

provides other services. However, the securities of the investment company or investment trust in which such funds are invested must be of the types specified in subsections (1) to (3), (8) and (9) of this section and the investment must not cause the county, municipality, political subdivision or school district whose funds are invested to become a stockholder in a joint company, corporation or association. For purposes of this subsection, companies are affiliated if they are members of the same affiliated group under section 1504 of the Internal Revenue Code of 1986 (26 U.S.C. 1504).

(11) Repurchase agreements whereby the custodial officer purchases securities from a financial institution or securities dealer subject to an agreement by the seller to repurchase the securities. The repurchase agreement must be in writing and executed in advance of the initial purchase of the securities that are the subject of the repurchase agreement. Only securities described in subsection (1) of this section shall be used in conjunction with a repurchase agreement and such securities shall have a maturity of not longer than three years. The price paid by the custodial officer for such securities may not exceed amounts or percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short Term Fund Board created by ORS 294.885. [Amended by 1957 c.53 s.1; 1957 c.689 s.1; 1965 c.404 s.1; 1973 c.157 s.1; 1973 c.288 s.1; 1974 c.36 s.9; 1975 c.359 s.3; 1977 c.300 s.1; 1981 c.804 s.84; 1981 c.880 s.13; 1983 c.456 s.2; 1985 c.256 s.2; 1985 c.440 s.1; 1985 c.690 s.2; 1987 c.493 s.1; 1991 c.459 s.379; 1993 c.59 s.1; 1993 c.452 s.1; 1993 c.721 s.1; 1995 c.79 s.102; 1995 c.245 s.2; 1997 c.249 s.91; 1997 c.631 s.446; 1999 c.601 s.1]

**Proposed Revision
Lane Transit District Investment Policy**

November 15, 2000

Purpose

It is the purpose of this policy to establish and provide guidelines for the safe and efficient management of Lane Transit District funds and the purchase and sale of investment instruments. The goal is to minimize risk and ensure the availability of cash to meet expenditures, while minimizing the occurrence of idle funds.

Objectives

LTD's investment objectives are:

- (1) Preservation of capital and the protection of investment principal.
- (2) Conformance with all federal and state statutes and this investment policy.
- (3) Maintenance of sufficient liquidity to meet operating requirements.
- (4) Diversification to avoid unreasonable risks.
- (5) Attainment of an investment return appropriate for the portfolio. (The State of Oregon Local Government Investment Pool [LGIP] shall be the performance yardstick.)

Authority

The Finance Manager shall be the portfolio manager. The Finance Manager may delegate some or all of the day-to-day operations of the investment portfolio to appropriate Finance Department staff.

The standard to be used in managing the portfolio is the prudent investor rule:

Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Staff acting in accordance with this policy and exercising due diligence will not be held personally responsible for a specific security's credit risk or market price change. When changes in market conditions or credit ratings occur, appropriate action must be taken to control adverse developments.

Authorized Financial Institutions and Dealers

The LTD Finance Department will maintain a list of all authorized dealers and financial institutions that may be used for investment purposes. Security purchases will be limited to this list of service providers. The Finance Manager will establish procedures and criteria for selection of financial institutions. Financial institutions must have a branch in Oregon in order to be considered. In order to be approved, financial institutions and service providers must provide the most recent financial statements or Consolidated Report of Condition and a summary of qualifications of the individuals with whom LTD would transact. The list of approved service providers will be reviewed at least once per year with the Finance Committee of the Board of Directors, or more frequently if Committee members so request.

Selection of Investments

The LTD portfolio manager will obtain telephone or written quotes before purchasing or selling an investment. The manager will select the investment that provides the highest rate of return within the parameters of this policy.

Safekeeping and Collateralization

- (1) Investment securities purchased by LTD will be delivered either by book entry or physical delivery and held in a segregated account for LTD's benefit by the financial institution designated as custodian. LTD may use a third-party financial institution for safekeeping and custody as deemed appropriate.
- (2) All repurchase agreements require a master repurchase agreement.
- (3) Certificates of deposit shall be collateralized through the state collateral pool as required by ORS for any amount exceeding FDIC or FSLIC coverage. Other investments shall be collateralized by the actual security held in safekeeping by the primary agent.

- (4) The Finance Manager shall maintain a system of written internal controls, which shall be reviewed by the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, or imprudent actions. The internal controls will be updated as system changes necessitate.

Investment Limitations and Diversification

The portfolio manager shall obtain a minimum of two quotes prior to investing surplus funds in any investment other than the Local Government Investment Pool (LGIP). Portfolio structure is limited as follows:

- (1) Investment options and portfolio structure limits by instrument are as specified by ORS 294. (See Appendix I.)
- (2) A minimum of \$1,000,000 will be invested in one or more instruments authorized by ORS 294 other than the LGIP. These instruments will be selected by safety, liquidity, and net return (priority indicated by order).
- (3) No more than \$1,000,000 will be invested in repurchase agreements at any given time.
- (4) The maximum maturity of any investment is 18 months, unless the investment is for the purpose of debt defeasance or set-aside of funds for a Board-designated capital project or projects, in which cases maturities may be extended to three years.

Reporting Requirements

The portfolio manager will provide a written investment report to the Finance Committee of the Board of Directors on a quarterly basis. This report will be mailed. In addition, investments will be reviewed annually as part of the independent audit (as always has been required) and summarized in the Comprehensive Annual Financial Report.

Attachment

File name:

Q:\Reference\Board Packet\2000\11\Regular Mtg\Investment Policy Draft Revised.doc

AGENDA ITEM SUMMARY

- DATE OF MEETING:** November 15, 2000
- ITEM TITLE:** STATE LEGISLATIVE PRIORITIES
- PREPARED BY:** Linda Lynch, Government Relations Manager
- ACTION REQUESTED:** (1) Motion to approve priorities; (2) decide on December meeting date with legislators; (3) provide Board direction about relative importance of state issues.
- BACKGROUND:**
- The Oregon Legislature will convene January 8, 2001, for its next regular session. Their primary focus will be to balance the budget, determine the effect of ballot measures on the budget and on any laws (particularly the effect of Measure 7 on the land use laws), and to engage once again in trying to determine the appropriate level of funding for schools.
- Voters rejected two proposals about how to spend the income from the national tobacco settlement, and it is likely that there will be considerable debate about whether to segregate those funds or include them in the general fund.
- Politically, it appears that the margin of difference between the parties is closer than in recent sessions. This usually tends to exaggerate differences and make legislators more partisan. Whether that has any implications for transit remains to be seen.
- Transit agencies are meeting November 14 to determine a final legislative agenda, but as proposed, it includes the following:
- Continued funding for elderly and disabled transportation services. Last session there were a \$5 million general fund and a \$10 million set-aside of federal capital funds for these services. LTD should work to continue that amount—at a minimum—and to increase it. To fully fund statewide elderly and disabled transportation service needs, \$54 million per year is needed.
 - Seek to establish state responsibility for all or a portion of the maintenance and preservation of the urban bus fleet. Responsibility would be based on the contribution transit makes to the state road system. The annual cost is as yet undetermined. A compromise position would be to establish any percentage of the cost as the state's responsibility.

- Seek other state funding for transit. Tri-Met continues to advocate for a “transportation reinvestment account” funded either by income taxes from wages earned on federally-funded transportation projects, such as Interstate MAX, or from capturing the revenue stream from future lottery revenue currently dedicated to repayment of the Westside Light Rail bonds.
- Continued funding for Willamette Valley passenger rail. Last session’s funding made possible the second train from Eugene north, but many capital improvements are needed to reduce travel times.
- Other issues of interest to transit:
 - Modification of the Business Energy Tax Credit to allow businesses that provide transit subsidies for employees to receive the tax benefit in one year rather than over five years;
 - Clarify that workers’ compensation does not extend to van and carpool drivers;
 - Develop incentives for shared-use park and ride facilities;
 - Restore transit agencies’ right to regulate firearms on their vehicles and property.

In addition to the above, it is staff’s intention to monitor all legislation pertaining to administration of a municipal corporation, including proposed changes to local budget law, collective bargaining, district governance, open meetings.

In preparation for the session, staff recommend using the Board’s December Monday work session time to meet with legislators. The Eugene-Springfield legislative delegation would be invited to meet with Board members over dinner. This provides a structured but relatively informal way for legislators and board members to become better acquainted and for the Board to remind legislators of local priorities before the session.

RESULTS OF RECOMMENDED ACTION:

Approval of legislative priorities constitutes a staff work plan for the session and should indicate which issues are of most importance to Board members.

ATTACHMENT:

None

PROPOSED MOTION:

I move the following resolution: It is hereby resolved that the LTD Board of directors approves the legislative priorities as presented.

Lane Transit District Investment Policy

Revised November 15, 2000

Purpose

It is the purpose of this policy to establish and provide guidelines for the safe and efficient management of Lane Transit District funds and the purchase and sale of investment instruments. The goal is to minimize risk and ensure the availability of cash to meet expenditures, while minimizing the occurrence of idle funds.

Objectives

LTD's investment objectives are:

- (1) Preservation of capital and the protection of investment principal.
- (2) Conformance with all federal and state statutes and this investment policy.
- (3) Maintenance of sufficient liquidity to meet operating requirements.
- (4) Diversification to avoid unreasonable risks.
- (5) Attainment of an investment return appropriate for the portfolio. (The State of Oregon Local Government Investment Pool [LGIP] shall be the performance yardstick.)

Authority

The Finance Manager shall be the portfolio manager. The Finance Manager may delegate some or all of the day-to-day operations of the investment portfolio to appropriate Finance Department staff.

The standard to be used in managing the portfolio is the prudent investor rule:

Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Staff acting in accordance with this policy and exercising due diligence will not be held personally responsible for a specific security's credit risk or market price change. When changes in market conditions or credit ratings occur, appropriate action must be taken to control adverse developments.

Authorized Financial Institutions and Dealers

The LTD Finance Department will maintain a list of all authorized dealers and financial institutions that may be used for investment purposes. Security purchases will be limited to this list of service providers. The Finance Manager will establish procedures and criteria for selection of financial institutions. Financial institutions must have a branch in Oregon in order to be considered. In order to be approved, financial institutions and service providers must provide the most recent financial statements or Consolidated Report of Condition and a summary of qualifications of the individuals with whom LTD would transact. The list of approved service providers will be reviewed at least once per year with the Finance Committee of the Board of Directors, or more frequently if Committee members so request.

Selection of Investments

The LTD portfolio manager will obtain telephone or written quotes before purchasing or selling an investment. The manager will select the investment that provides the highest rate of return within the parameters of this policy.

Safekeeping and Collateralization

- (1) Investment securities purchased by LTD will be delivered either by book entry or physical delivery and held in a segregated account for LTD's benefit by the financial institution designated as custodian. LTD may use a third-party financial institution for safekeeping and custody as deemed appropriate.
- (2) All repurchase agreements require a master repurchase agreement.
- (3) Certificates of deposit shall be collateralized through the state collateral pool as required by ORS for any amount exceeding FDIC or FSLIC coverage. Other investments shall be collateralized by the actual security held in safekeeping by the primary agent.

- (4) The Finance Manager shall maintain a system of written internal controls, which shall be reviewed by the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, or imprudent actions. The internal controls will be updated as system changes necessitate.

Investment Limitations and Diversification

The portfolio manager shall obtain a minimum of two quotes prior to investing surplus funds in any investment other than the Local Government Investment Pool (LGIP). Portfolio structure is limited as follows:

- (1) Investment options and portfolio structure limits by instrument are as specified by ORS 294. (See Appendix I.)
- (2) A minimum of \$1,000,000 will be invested in one or more instruments authorized by ORS 294 other than the LGIP. These instruments will be selected by safety, liquidity, and net return (priority indicated by order).
- (3) No more than \$1,000,000 will be invested in repurchase agreements at any given time.
- (4) The maximum maturity of any investment is 18 months, unless the investment is for the purpose of debt defeasance or set-aside of funds for a Board-designated capital project or projects, in which cases maturities may be extended to three years.

Reporting Requirements

The portfolio manager will provide a written investment report to the Finance Committee of the Board of Directors on a quarterly basis. This report will be mailed. In addition, investments will be reviewed annually as part of the independent audit (as always has been required) and summarized in the Comprehensive Annual Financial Report.

Attachment

File name:
M:\wpdata\LTD Investment Policy.doc

Revenue:

- ❖ Total passenger revenues and farebox revenue both include football shuttle fare revenue for current and prior years. Other special service revenue is not included. Efforts will be made to include these revenues in future reports.
- ❖ Youth single month pass sales revenue has more than doubled versus the previous September, and is more than three times the comparative year-to-date period results. Three-month pass sales revenues are also up significantly. The results to date demonstrate that the youth price reduction has had the intended result of both increasing ridership and maintaining/increasing youth fare revenue.
- ❖ LCC term pass information will not be available until the October report.
- ❖ Regular token sale revenues are down, probably due in part to a price increase that went into effect September 1, 2000, but primarily because of the popularity of the new day pass instrument.

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AGENDA ITEM SUMMARY

DATE OF MEETING: November 15, 2000

ITEM TITLE: FIRST-QUARTER RIDERSHIP REPORT

PREPARED BY: Andy Vobora, Service Planning & Marketing Manager
Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: The attached performance report provides the Board a look at how ridership has grown during the first three months of the fiscal year. In reviewing this information, staff have made the following observations:

Ridership

- Ridership shows solid growth in each of the three months and has increased 8 percent year-to-date.
- Weekend ridership is growing most quickly and likely is attributable to the reduction in youth fares.
- Weekday ridership most likely is linked to the new 75X Sacred Heart service and an increase in rides from other LTD Park & Rides.
- Contributing to weekday ridership, enrollment is up at both the UO and LCC, and LCC term pass sales are ahead of last year's sales.
- With no increase in service hours this fall, ridership productivity also shows solid growth, increasing 5 percent year-to-date.
- Following a large spike in Special Mobility Service (SMS) ridership in August, rides returned to a more normal level in September. At this time, nothing has been identified to account for the September spike in ridership.

Revenue

- Total passenger revenues and farebox revenue both include football shuttle fare revenue for current and prior years. Other special service revenue is not included. Efforts will be made to include these revenues in future reports.
- Youth single-month pass sales revenue has more than doubled over the previous September, and is more than three times the comparative year-to-date period results. Three-month pass sales revenues also increased significantly. The results to date

demonstrate that the youth price reduction has had the intended result of both increasing ridership and maintaining/increasing youth fare revenue.

- LCC term pass information will not be available until the October report.
- Regular token sale revenues are down, probably due in part to a price increase that went into effect September 1, 2000, but primarily because of the popularity of the new day pass instrument.

Fleet

- Fuel costs continue to remain high, with a current price of \$1.13 per gallon. This has resulted in a 27.9 percent year-to-date increase in expenses over last year. Current fiscal year fuel costs are budgeted at \$.83 per gallon, resulting in current fuel expenses being 36 percent over budget.
- The petroleum industry anticipates fuel costs to level out in the \$1.00 to \$1.05 per gallon range for the next six months, provided conditions in the Middle East do not worsen.

Staff will be available to review the report and answer questions from the Board.

ATTACHMENT: September 2000 Performance Report

PROPOSED MOTION: None

LANE TRANSIT DISTRICT
September 2000 Performance Report
07-November-2000

Performance Measure	Prior			Current			Previous		
	Current Month	Year's Month	% Change	Current Y-T-D	Previous Y-T-D	% Change	Current 12 Month	Prior 12 Month	% Change
Fixed Route Service									
Person Trips	484,066	457,550	+ 5.8%	1,380,188	1,278,345	+ 8.0%	6,098,963	5,966,811	+ 2.2%
Lift Rides	7,573	7,209	+ 5.0%	22,982	21,780	+ 5.5%	88,563	78,384	+ 13.0%
<u>Average Person Trips:</u>									
Weekday	19,382	18,607	+ 4.2%	17,393	16,765	+ 3.7%	20,305	20,167	+ 0.7%
Saturday	10,474	9,740	+ 7.5%	10,376	9,049	+ 14.7%	10,120	9,632	+ 5.1%
Sunday	6,169	5,567	+ 10.8%	6,537	5,213	+ 25.4%	5,899	5,480	+ 7.6%
Monthly Scheduled Hours	24,889	24,940	- 0.2%	77,875	75,758	+ 2.8%	315,908	307,930	+ 2.6%
Trips Per Schedule Hour	19.4	18.3	+ 6.0%	17.72	16.87	+ 5.0%	19.31	19.38	- 0.4%
Weekly Schedule Hours	6,231	5,911	+ 5.4%	5,970	5,810	+ 2.8%	6,090	5,990	+ 1.7%
Weekdays	20	21		63	65		258	256	
Saturdays	5	4		14	13		52	52	
Sundays	5	5		15	14		56	55	
Special Services (Football only)									
Person Trips	47,823	38,345	+ 24.7%	47,823	38,345	+ 24.7%	82,595	70,877	+ 16.5%
Scheduled Hours	1,391	1,026	+ 35.6%	1,391	1,026	+ 35.6%	2,470	2,052	+ 20.3%
Trips Per Schedule Hour	34.4	37.4	- 8.0%	34.4	37.4	- 8.0%	33.4	34.5	- 3.2%
Passenger Revenues & Sales									
Total Passenger Revenues	318,016	315,610	+ 0.8%	\$884,843	\$826,241	+ 7.1%	4,032,520	3,784,655	+ 6.5%
Average Passenger Fare	\$0.598	\$0.636	- 6.1%	\$0.620	\$0.628	- 1.3%	\$0.652	\$0.627	+ 4.1%
Farebox Revenue	128,060	126,220	+ 1.5%	\$306,162	\$263,340	+ 16.3%	\$1,167,495	\$1,058,145	+ 10.3%
Adult Pass	2,909	2,915	- 0.2%	8,700	9,058	- 4.0%	35,096	35,533	- 1.2%
Youth Pass	1,585	769	+ 106.1%	3,244	1,014	+ 219.9%	16,963	16,054	+ 5.7%
Reduced Fare Pass	539	493	+ 9.3%	1,418	1,347	+ 5.3%	6,048	5,964	+ 1.4%
Senior/Child	220	269	- 18.2%	667	680	- 1.9%	3,195	2,859	+ 11.8%
Adult 3 Month Pass	102	110	- 7.3%	307	185	+ 65.9%	1,324	185	+ 615.7%
Youth 3 Month Pass	326	79	+ 312.7%	630	91	+ 592.3%	1,803	91	+ 1881.3%
Senior 3 Month Pass	32	55	- 41.8%	135	77	+ 75.3%	612	77	+ 694.8%
Reduced Fare 3 Month Pass	78	90	- 13.3%	270	162	+ 66.7%	1,106	162	+ 582.7%
LCC Pass	-	-	+ 0.0%	-	-		5,647	5,480	+ 3.0%
Regular Tokens	13,039	16,712	- 22.0%	42,101	45,794	- 8.1%	199,083	201,983	- 1.4%
Reduced Fare Tokens	6,133	5,559	+ 10.3%	18,408	15,313	+ 20.2%	67,156	64,364	+ 4.3%
Fleet Services									
Fleet Miles	370,771	349,310	+ 6.1%	1,089,345	1,059,439	+ 2.8%	4,369,545	4,270,852	+ 2.3%
Average Passenger Trips/ Mile	1.43	1.42	+ 1.1%	1.31	1.24	+ 5.5%	1.41	1.41	+ 0.1%
Fuel Cost	\$96,400	\$62,876	+ 53.3%	\$243,818	\$190,699	+ 27.9%	\$921,403	\$593,968	+ 55.1%
Fuel Cost Per Mile	\$0.260	\$0.180	+ 44.4%	\$0.224	\$0.180	+ 24.3%	\$0.211	\$0.139	+ 51.6%
Repair Costs	\$113,322	\$184,601	- 38.6%	\$521,325	\$571,922	- 8.8%	\$2,181,105	\$2,197,392	- 0.7%
Total Repair Cost Per Mile	\$0.306	\$0.528	- 42.2%	\$0.479	\$0.540	- 11.3%	\$0.499	\$0.515	- 3.0%
Preventive Maintenance Costs	15,185	25,100	- 39.5%	72,149	73,399	- 1.7%	268,060	252,759	+ 6.1%
Total PM Cost Per Mile	\$0.041	\$0.072	- 43.0%	\$0.066	\$0.069	- 4.4%	\$0.061	\$0.059	+ 3.7%
Mechanical Road Calls	70	86	- 18.6%	239	282	- 15.2%	1,039	955	+ 8.8%
Miles/Mech. Road Call	5,297	4,040	+ 31.1%	4,558	3,757	+ 21.3%	4,206	4,472	- 6.0%
Special Mobility Service									
SMS Rides	8,635	8,232	+ 4.9%	26,386	24,492	+ 7.7%	103,424	97,648	+ 5.9%
SMS Ride Refusals	24	88	- 72.7%	39	182	- 78.6%	326	663	- 50.8%
RideSource	3,673	4,594	- 20.0%	11,587	13,736	- 15.6%	47,931	50,580	- 5.2%
RideSource Refusals	9	71	- 87.3%	16	142	- 88.7%	167	478	- 65.1%



Lane Transit District
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MONTHLY STAFF REPORT

December 20, 2000

GOVERNMENT RELATIONS

Linda Lynch, Government Relations Manager

FEDERAL

STATE

SERVICE PLANNING

Andy Vobora, Service Planning Manager

SPECIAL EVENT SERVICES

Basketball service is rolling along for both men's and women's games. Ridership for the pre-pac 10 games is always lower, however the numbers appear consistent with past years. Note that women's service is now at the same level as men's service. While the attendance is lower at women's games, transit use is higher.

Work continues on the Autzen Stadium expansion. LTD staff continues to coordinate with UO and City staff participating in the project. No final decisions have been made with respect to the transit station location.

LCC TERM PASS

Final sales of the discounted term bus pass were _____. This represents an increase in sales of ___ %, however it falls short of our goal to sell all 2,500 passes available. Staff will continue to pursue efforts to sell more passes during winter term. During the early part of winter term the staff will begin discussions with LCC staff and determine how the program will be shaped for the 2001-02 school-year. LTD Board discussions about the program will likely occur in March 2001.

WINTER BID

Service planners and marketing staff are working on the service changes for winter bid. This bid will include very few changes to the system. This is being driven by the new scheduling system implementation, which will run in parallel to the current system. Because there are so few changes, the standard printing of the Rider's Digest Update will not occur. Customers will be informed about the changes through the use of Bus Talk, our rider newsletter.

TRANSIT OPERATIONS

Mark Johnson, Transit Operations Manager

HUMAN RESOURCES

David Dickman, Human Resources Manager

LABOR RELATIONS

The Gore/Bush Presidential election was not the only election to experience difficulties this year. During the summer and fall the Local 757 experienced two elections with completely different results. On July 1, 2000 Wally Feist replaced Ron Heintzman as Business Representative of the ATU Local 757. Ron Heintzman, who claimed that voting irregularities resulted in the election results being in doubt, challenged Feist's scant victory of 21 votes. The International Union investigated the allegations and subsequently ordered a new election. Ron Heintzman won the second election by a substantial margin. Continuing allegations of misconduct are being heard now from the Feist (and other dissenters) but to what end is not really apparent or known.

With the election of Ron Heintzman, the District has a known quantity for the coming three years. It is difficult to know whether Mr. Heintzman will continue the new spirit of teamwork and partnership that the District is developing with the Union. He did not negotiate completely the new agreement and may have his own ideas about what needed addressing by the Agreement. Time will tell where we are headed in this important question.

ADMINISTRATIVE EMPLOYEES

A committee composed of representatives of the Employee Association and the Leadership Council has been reviewing and preparing a comprehensive revision of administrative policies covering personnel and employment. A draft of this revision may be ready in January for the Leadership Council and General Manager and then sometime in the following months for review by the LTD Board of Directors' Human Resources Committee and subsequent adoption by the Board.

AFFIRMATIVE ACTION

In accordance with the requirements of the FTA and UMTA Circular 4704.1, LTD has restated its Affirmative Action Plan. Joyce Ziemplak did a masterful job of preparing this complex document. We do not have any difficulties in meeting the requirements of law with regard to equal employment and affirmative action. A purpose of this report is to establish goals for the coming years to further enhance our equal opportunity position with our organization. Our prior employment practices suggest that our recruitment and hiring of ethnic minorities has met our past goals and will likely continue in the future. However, the District needs to focus attention on the recruitment and advancement of women, particularly among craft, technical and officials/managers positions and continue in its past strong practice of hiring minorities. The goals in the revised plan are achievable and the Human Resources Department will continue in its strategic compliance role to further the advancement towards these goals.

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MONTHLY STAFF REPORT

November 15, 2000

GOVERNMENT RELATIONS

Linda Lynch, Government Relations Manager

FEDERAL

Because the Congress has failed to complete its work and adjourn, the planned visit of Congressman Peter DeFazio and Senator Gordon Smith to LTD did not occur. The purpose of the visit was to mark the \$1 million in discretionary federal funds the District received in the FY01 Transportation Appropriations measure. Senator Smith tentatively has rescheduled his visit for November 15, but Congress is expected to reconvene by then, so it is likely that the date will continue to be a moving target.

Representatives of the firm that the District, the cities of Springfield and Eugene, and Lane County retain in Washington, D.C., will make their annual visit to the area December 11 and 12. They will meet with staff and discuss possible priorities of a new administration and timing for the "united front" lobbying trip to Washington in 2001. A plan for 2001 will be confirmed after their visit.

STATE

Because the most onerous tax-reducing state ballot measures failed, it is likely that business at the legislature will be closer to "as usual" than previously was feared. However, passage of Measure 7, requiring payment to landowners if government regulation reduces property values, is likely to influence much legislative action, from land use laws to its budget implications. At this writing, leadership decisions have not been made and committee assignments are unknown.

New faces in the Eugene-Springfield legislative delegation are: Robert Ackerman (D), District 39; Phil Barnhart (D), District 40; and Cedric Hayden (R), District 43. Returning are: Vicki Walker (D), District 41; Bill Morrisette (D), District 42; Al King (D), District 44; and senators Susan Castillo, Tony Corcoran, and Lee Beyer.

SERVICE PLANNING & MARKETING

Andy Vobora, Service Planning & Marketing Manager

SPECIAL EVENT SERVICES

December 31 falls on a Sunday this year. This means that Eugene's First Night activities will take place on a Sunday evening, which creates a dilemma for bus service to the activities. LTD's final departure on Sunday is at 8:30 p.m., which is four hours short of the conclusion of the activities at 12:30 a.m. In the past, the First Night committee has contracted for free fares and an extension of service through 12:30 a.m.; however, this year the requirement would be to pay for four departures from 9:30 p.m. through 12:30 a.m. The cost of these extra departures breaks down into the operational cost of approximately \$3,000 and a marketing cost of approximately \$3,000. In an attempt to be consistent with how LTD treats other special event providers, the District asked First Night to cover the operational costs. First Night feels it does not have the budget to cover these costs; therefore, no additional bus service will be provided for this year's event. Should the event continue next year, LTD will be in a position to once again offer service through 11:30 p.m. and First Night would be required to pay for only one additional departure, since December 31 will be on a weekday.

The final home football game occurred on November 11, ending another record year for football shuttle ridership. Basketball service has begun for both men's and women's games, and will continue into March 2001.

LCC TERM PASS

Early sales figures show that LCC term pass sales are going very well. LCC staff have informed us that more than 2,000 passes have been sold. This is encouraging, because sales typically continue to be strong through the month of October.

STUFF THE BUS

LTD, KDUK radio, and Bi-Mart teamed up November 2-5 to help Food for Lane County and Toys for Tots, with the following results:

Pounds of food donated to Food for Lane County

1996	770 lbs
1997	2,875 lbs
1998	3,194 lbs
1999	4,086 lbs (1,000 lbs from Mr. Appliance)
2000	5,950 lbs (2,000 lbs came from a local company – Mr. Appliance)

This year the community also contributed 3,141 pounds of clothing & blankets, 595 pounds of used toys, and hundreds of pounds of new toys for Toys for Tots.

TRANSIT OPERATIONS

Mark Johnson, Transit Operations Manager

SAFETY FIRST

September and October were banner months for safety. This is particularly significant because September historically has been a high month for accidents. There were only 12 accidents in September, which is the safest September in several years. That was followed by only 9 accidents for the month of October. Calendar year 2000 is shaping up to be a very good year for safety: only 124 accidents were logged through October, which is 21 fewer than at this time last year and 38 fewer than in 1999. A celebration was held in the operator's lounge on November 8.

SOFTWARE UPDATE

The Operations software project is on track and shaping up to be ready for the Winter Bid. Training has taken place for the bid portion of the software and the current bid data has been input. The vendor will be on the property during mid-November to train staff on the next module, which is the dispatch and timekeeping portion.

NEW IMAGE

Board members will notice LTD bus operators sporting a new image. In an effort to improve and update LTD's image in the community, the operators have received new coats, hats, and shirts, all with the LTD "swoosh" logo. The standard navy blue color scheme is being

phased out, and a mallard (teal) and blue color combination is being introduced. It is a great new look for the operators and gives them a more standard and professional image.

HUMAN RESOURCES

David Dickman, Human Resources Manager

There is no Human Resources report.

AGENDA ITEM SUMMARY

- DATE OF MEETING:** November 15, 2000
- ITEM TITLE:** WORK SESSION – DISCUSSION WITH BOARD ABOUT PARATRANSIT, FACILITIES, AND RIDESHARING
- PREPARED BY:** Ken Hamm, General Manager
- ACTION REQUESTED:** A dialogue about these opportunities. Consensus to proceed with analysis of each potential improvement.
- BACKGROUND:**
1. Transportation for Lane County's citizens with special needs is a responsibility of LTD. LTD funds a budget of approximately \$1.6 million for these services, about half from state funding and half from our revenue base. Currently, LTD contracts with the Lane Council of Governments (LCOG) to contract with a private operator to provide these services.

LTD has a staff person assigned to coordinate with LCOG on these services. LTD also pays for a person at LCOG to coordinate these services, plus LTD pays LCOG an administrative overhead. Changing this structure would result in some operating and fiscal efficiency for the District.
 2. LTD staff have been working with RideSource to locate a new site for RideSource operations. Discussions with the State Motorpool are continuing, but have a significant financial impact. At this same time, LTD has space needs at Glenwood. The recent lease of space for the BRT group is a temporary fix, but Glenwood has some other growing pains in Fleet Services, Operations, and Administration.

Additionally, there is significant operating expense for "deadhead" buses to the southwest, west, and northwest parts of Eugene. This leads your general manager to believe that there is financial and operational merit in looking at a satellite facility.
 3. LTD has an opportunity to serve businesses outside the urban centers far better than we do now and to make a real difference in vehicle miles traveled (VMTs). Ridesharing applications can make a difference, but require a financial shift from traditional ways of viewing transit.
- ATTACHMENT:** None
- PROPOSED MOTION:** None