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Public notice was given to *The Register-Guard* for publication on November 15, 2001.

LANE TRANSIT DISTRICT SPECIAL BOARD MEETING

Monday, November 19, 2001
5:30 p.m.

NOTE: This meeting takes the place of the regular monthly meeting scheduled for November 21, 2001, which has been canceled.

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

Lauritsen _____ Melnick _____ Wylie _____ Bennett _____

Gaydos _____ Hocken _____ Kleger _____

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

1. Presentation of Comprehensive Annual Financial Report for Fiscal Year 2000-2001 05

2. If time remains before 6:30 p.m., the Board should consider some of the Items for Information for this meeting (beginning on page 54). 54

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

VI. EMPLOYEES OF THE MONTH – NOVEMBER AND DECEMBER 2001 09

VII. AUDIENCE PARTICIPATION

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

VIII. ITEMS FOR ACTION AT THIS MEETING

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(c)	Statewide Livability Forum – No meeting	
(d)	Board Finance Committee – November 6 meeting	
(e)	Land Conservation and Development Commission (LCDC) – November 1 meeting	
(f)	Oregon Transportation Conference – October 28-30	
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G. BRT Updates	
XI. ADJOURNMENT	

Alternative formats of printed material (Braille, cassette tapes, or large print) are available upon request. A sign language interpreter will be made 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).

Lane Transit District
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2001

EXECUTIVE SUMMARY

The Comprehensive Annual Financial Report for the most recently completed fiscal year was distributed to the Board of Directors at the November meeting. At that time, Charles Swank of the accounting firm Grove, Mueller and Swank provided a positive report of LTD's financial position and controls. LTD has received an unqualified audit opinion, which is included in the report document.

There are several aspects of the financial performance that should be noted. Highlights include:

Operating Fund Revenue:

- **Fixed-route transportation revenue** increased 1.5 percent compared with 4.7 percent in the previous fiscal year. Passenger fare revenue finished the year more than \$115,000 below budget.
- **Employer payroll tax revenue** increased less than 1.2 percent compared with 5.7 percent last year, an indication of a slowing economy in the local area. Receipts were \$180,000 below annual budget.
- **Self-employment tax revenue** increased nearly 10 percent versus previous year (which was affected by one-time administrative charges by Oregon Department of Revenue for computer programming work and Y2K system conversion). However, current-year receipts were below those of FY 1998-99 and \$27,000 below FY 2000-01 budget, another indication that the local economy has entered a downturn period.
- **State-in-lieu revenue** decreased 4.5 percent over an unusual prior year (receipts were inflated by the addition of revenues owed in the prior year, but not paid until FY 1999-2000). Revenue exceeded budget by \$51,000, suggesting that the approaching recession had no immediate effect on state services.

Total Operating Fund revenue increased .1 percent—essentially no change from the previous year.

Operating Fund Expense:

- **Personnel services** increased about 10 percent. Most of the increase was the result of a new labor agreement with the Amalgamated Transit Union (ATU).
- **Materials and services** increased 8 percent due to continued volatility in fuel prices through the first three-quarters of the year and rising energy costs.
- **Insurance/risk** increased more than 25 percent. Rates are expected to continue to increase in the current and future years due to an unusual number of high-impact claims, as well as the effects of September 11 on insurance premiums in general.

Total Operating Fund expense increased 8 percent. Total expense less depreciation increased 10 percent. The Long-range Financial Plan requires that expenditure growth not exceed revenue growth beginning in FY 2000-01 and continuing in future years. That goal was not met. However, reserves were sufficient to carry over into FY 2001-02 and assure that operations are adequately funded through the new fiscal year.

Farebox Recovery:

Ratios were as follows for the last ten fiscal years:

1991-92	23 percent
1992-93	23 percent
1993-94	23 percent
1994-95	22 percent
1995-96	24 percent
1996-97	25 percent
1997-98	24 percent
1998-99	23 percent
1999-00	22 percent
2000-01	21 percent

The normal farebox recovery ratios for public transit agencies of comparable size to LTD are in the range of 20 to 30 percent. LTD's 2000-01 ratio fell due to a combination of weak fare revenues and sharply-increased expenses.

System Productivity:

System productivity, which is expressed as rides per hour, was as follows for the last ten years:

1991-92	21.191
1992-93	20.598
1993-94	19.176
1994-95	19.568
1995-96	20.568
1996-97	20.561
1997-98	19.252
1998-99	19.405
1999-00	19.112
2000-01	20.158

At the direction of the Board, a Comprehensive Service Redesign (CSR) was planned in FY 2000-01 with the objective of improving system productivity. The CSR was implemented in September 2001.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 2000-2001

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: The Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2001, 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, P.C. Charles Swank, representing LTD's auditors, will attend the November 19 meeting to discuss the audit results. An overview of Lane Transit District's financial position at June 30, 2001, will be presented by staff at the November 19 Board meeting.

Board acceptance of the independent audit report for the fiscal year ending June 30, 2001, is scheduled during the Items for Action portion of this meeting.

ATTACHMENT:

1. Comprehensive Annual Financial Report for the Year Ended June 30, 2001 (included separately for Board members)
2. CAFR Executive Summary

PROPOSED MOTION: None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, September 17, 2001

Pursuant to notice given to *The Register-Guard* for publication on September 13, 2001, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, September 17, 2001, 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
Virginia Lauritsen, Secretary
Dave Kleger, Treasurer
Robert Melnick
Patricia Hocken
Gerry Gaydos
Ken Hamm, General Manager
Susan Hekimoglu, Recording Secretary

Absent: None

CALL TO ORDER: The meeting was called to order at 5:38 p.m., by Board President Hillary Wylie. Mr. Gaydos was not yet present.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Ms. Wylie reported that she recently had returned from Washington, D.C. She was in a hotel just across the street from the Pentagon on September 11, 2001, when the Pentagon was struck. She thought it important for the Board to recognize the impact of the September 11, 2001, terrorist attacks on the World Trade Center in New York and on the Pentagon in Washington, D.C. Everyone was affected in many ways and on many levels. She expressed her respect and appreciation for all those who personally were touched by the tragedy.

There were no other announcements or additions to the agenda.

WORK SESSION – TRANSPLAN: The TransPlan discussion was moved later in the meeting.

WORK SESSION – BUS RAPID TRANSIT (BRT): Mr. Hamm said that due to the enormity of the work involved in both the design and engineering of the approved Phase 1 pilot corridor and the work involved in identifying the next corridors both for Eugene and Springfield, staff would be reassigned. Planning and Development Manager Stefano Viggiano would continue to work on all aspects of BRT, but would focus primarily on working with the City of Eugene and the City of Springfield to identify and conceptualize the next corridors. Assistant General Manager Mark Pangborn would assume project management responsibilities on the design, engineering, and construction of the Phase 1 pilot corridor. In addition, if the budget

allowed, staff would seek other outside expertise in melding the design and engineering with the construction of the project. Facilities Manager Charlie Simmons would oversee the continued design and building of the BRT Phase 1 stations and the continued design and building of the Springfield Station. Mr. Hamm also noted that Mr. Pangborn would remain the project manager of the new RideSource facility, but that Mr. Simmons would be assisting in that project as well.

Mr. Melnick noted that LTD was adding functions and responsibilities without adding new staff members. He thought it would be a challenge to maintain a balance to assure that staff also would not be distracted from other projects. Mr. Hamm said that staff had discussed whether it made more sense to add staff or to outsource project components on a project-by-project basis. Staff had decided to avoid unproductive expenses at this time by shifting responsibilities. While there would be additional stress points, staffing levels would be closely monitored and every attempt would be made to not overwhelm the staff.

Mr. Pangborn provided an update about the various BRT projects, including the Environmental Assessment, the Intergovernmental Agreements, the formation of the Design Team, vehicle selection, and the next BRT corridors.

Ms. Hocken asked about the BRT project cost estimates and if better data would be available to base the cost estimate on. Mr. Pangborn said that LTD's initial cost estimates were made on a block-by-block basis. If the consultant's cost estimates were substantially different, staff would determine the basis for those differences. Mr. Viggiano added that cost estimates would be provided periodically throughout the design process.

Mr. Gaydos arrived at the meeting at 6:03 p.m.

Staff were meeting with both Cities to draw up the Intergovernmental Agreements (IGAs). An IGA with the Oregon Department of Transportation (ODOT) also was planned. The framework for the agreements already had been drawn and was being reviewed by staff. Mr. Viggiano added that staff were talking with the City of Eugene about the possibility of City staff being involved in the Phase 1 design work in a direct way.

Mr. Hamm said that LTD needed to move fairly quickly on vehicle selection. A staff trip to Europe was being planned to visit several vehicle manufacturers in The Netherlands and in France. It was essential for Fleet Services Manager Ron Berkshire to visit the factories to gain confidence in the products and to prepare a management proposal. Mr. Berkshire already had visited some American vehicle manufacturers. Mr. Pangborn added that once the vehicle decision was made, the facilities staff would determine what would be needed, in terms of vehicle storage, maintenance, etc., to support those vehicles.

Mr. Pangborn said that LTD would utilize a Construction Management General Contractor (CMGC) approach with the design and construction of Phase 1. A general contractor would be hired early in the process and would participate throughout the design process.

Ms. Wylie asked staff to prepare a project timeline flow chart for the Board.

Ms. Hocken asked how a general contractor would be able to bid on the project so early in the design phase. Mr. Pangborn said that a general contractor would be selected based on

general qualifications. A formal Request for Qualifications (RFQ) would be used to select the general contractor, who then would bid on a guaranteed maximum price much later in the design process. Ms. Hocken asked if LTD would then be obligated to hire that general contractor. Mr. Pangborn said that the general contractor would be hired and would act in a construction oversight capacity, subcontracting most of the work.

Mr. Viggiano said that this was a new process for LTD, and staff would continue to discuss the process with the Board. Ms. Hocken asked that legal counsel be involved in the discussion. Mr. Melnick noted that this method of building large projects was becoming more common, and that the University of Oregon often used the CMGC process. The new Law School, for instance, was built using this process where a general contractor and architect worked together from the beginning of the project.

Ms. Hocken asked if outside valuing would be a part of this process. Mr. Pangborn said that there were two options for value engineering, but if the CMGC process were used, the contractor would provide the ongoing value engineering. Mr. Pangborn noted that the Board members would be involved in selecting the contractors.

Ms. Wylie asked that the BRT discussion be continued later during the regular portion of the meeting. The Board members took a short break to look at both the new hybrid-electric *Breeze* shuttle bus and the *Duck Shuttle* articulated bus.

EMPLOYEE OF THE MONTH – OCTOBER 2001: Transit Operations Manager Mark Johnson introduced Transit Operations Supervisor Kay Kinnish as the October 2001 Employee of the Month. Mr. Kinnish was hired as a bus operator in December 1993. He was promoted to his supervisory position on October 20, 1998. Mr. Kinnish was nominated for this award by two of his fellow transit operations supervisors who appreciated his willingness to assist his co-workers, especially with regard to the recent reorganization that had occurred within the transit operations department.

Ms. Wylie congratulated Mr. Kinnish and presented him with an Employee of the Month lapel pin, a plaque, a letter of commendation, and a monetary award. She thanked Mr. Kinnish for his excellent service to LTD and its guests.

Mr. Kinnish said that he had been treated well at LTD, he appreciated the award, and he thanked the Board for the opportunity to be a part of Team LTD. He said that when he was hired, he was 53 years old and when promoted, he was 58 years old. He did not think that happened very often, and it said a lot about the company.

AUDIENCE PARTICIPATION: Audience Participation: 1) Pia Rogers of Eugene said that she had just arrived in Eugene in July. She said that she was not complaining, and in fact, most bus operators were very nice. When she first arrived and secured employment, she was confused about which side of the street to be on to catch her bus, route #67, to the Delta Oaks area. The bus stop signs had no indication about what side of the street on Delta Oaks one should stand on to catch either the inbound or outbound buses. When she was first hired and relatively new to Eugene, she was stranded because she did not know which side of the street to stand on.

Ms. Rogers also suggested that buses on Sunday operate later than 8:30 p.m., because Delta Oaks and Valley River Center (VRC) employees typically worked later.

In addition, Ms. Rogers said that she did not own a car and relied solely on bus service. Sometimes the wait was long at VRC because of the buses that were laying over. She suggested that rider convenience be a higher priority when planning routes.

Ms. Rogers also said that the bus operators could be a bit more helpful, particularly to people new to the area.

2) Gene Richardson & Chrissy Robinson of Eugene, who both worked at Pearl Buck Productions on Bertelson Road, presented a signed petition for LTD to provide bus access to Bertelson Road in the West Eugene Area. Ms. Robinson read the petition:

We would like to petition LTD to reconsider one of its recent routes changes, as it will cause undue stress and hardship on many employees of the Pearl Buck Productions Workshop, located at 4232 West 5th Avenue (near the corner of West 5th and Bertelson Road), in Eugene.

The Pearl Buck Center has been providing vocational services for persons with disabilities for over 50 years. Most of these people use LTD as their only mode of transportation and are loyal and strong supporters of LTD. Routes 42 & 43 previously traveled in both directions on Bertelson between West 11th Avenue and Roosevelt Boulevard. After the recent route changes, many commuters must now walk to West 11th Avenue to catch an LTD bus. The recent schedule changes for routes 42 and 43 have been hard on Pearl Buck's employees.

Walking all the way to West 11th Avenue to catch the bus is difficult for some people. It is a long walk and hard on individuals with physical disabilities. These difficulties will increase with extreme weather. The rainy winter months will be very difficult. The hottest summer months may cause heat exhaustion in some people with physical disabilities. In addition, West 11th is a very busy street with few safe places to cross. With such heavy traffic, crossing West 11th may be dangerous for many Pearl Buck workers. There also are no sidewalks between the Pearl Buck building and West 11th, making it even more difficult and dangerous for those commuters traveling home after a day of work. We ask that LTD consider these hardships placed on their many loyal and supportive customers by the recent reduction of service to Bertelson Road. With these considerations in mind, we petition LTD to reinstate bus access to Bertelson Road between West 11th and Roosevelt in West Eugene.

The petition was signed by 33 people.

3) Paul Bonney of Eugene introduced himself to the Board and said that he had been an LTD fan since 1971. He previously served on the LTD Budget Committee.

Ms. Wylie thanked the speakers and said that LTD would take their comments under consideration.

MOTION CONSENT CALENDAR: Ms. Hocken moved that the Board adopt LTD Resolution No. 2001-036: "It is hereby resolved that the Consent Calendar for September 17, 2001, is approved as presented." Ms. Lauritsen seconded the motion. The Consent Calendar for September 17, 2001, consisted of the minutes of the August 15, 2001, regular Board meeting. Mr. Melnick said that he would abstain from voting on the Consent Calendar, as he had not attended the August Board meeting. Ms. Wylie called for a voice vote. The motion passed, with six members in favor (Wylie, Bennett, Hocken, Lauritsen, Gaydos, and Kleger) and one abstention (Melnick).

VOTE

REVISED FY 2001 SECTION 5307 FEDERAL GRANT APPLICATION: Mr. Pangborn said that the revision to the grant application added the Automated Vehicle Locator/Automatic Passenger Counter (AVL/APC) project, which inadvertently was omitted from the Program of Projects that had been presented to the Board for approval at its August Board meeting. The revised grant request was for \$1,770,280 in Federal Section 5307 funds.

Public Hearing: Ms. Wylie called for public testimony regarding the proposed grant application. No one from the audience wished to speak on the subject. Ms. Wylie then closed the public hearing.

MOTION Board Deliberation: Mr. Kleger moved adoption of LTD Resolution No. 2001-037: "It is hereby resolved that the LTD Board of Directors approves the revised FY 2001 Section 5307 federal grant application for \$1,947,945 in federal funds, and authorizes the general manager to submit this application to the Federal Transit Administration for approval." Mr. Gaydos seconded the motion.

Ms. Hocken noted that some of the funding included in the Program of Projects budget represented FY 2001-02 Special Transportation Program (STP) state funds. She asked if those funds specifically should be mentioned in the resolution. Mr. Pangborn said that those funds did not need specific mention as they were federal funds that were funneled through the state in a regular funding mechanism.

VOTE There being no further discussion, Ms. Wylie called for a voice vote on the motion to approve the grant application. The motion passed unanimously, with Bennett, Melnick, Lauritsen, Kleger, Wylie, Hocken, and Gaydos voting in favor, and none opposed.

ADOPTION OF TRANSPLAN: Mr. Viggiano introduced Tom Schwetz and Paul Thompson from Lane Council of Governments (LCOG), who were present to answer any questions. The Board received the final TransPlan document, which included three amendments at their tables. Staff were asking the Board to formally adopt TransPlan.

Mr. Viggiano added that Resolution 2001-038 included the Plan and the three amendments.

MOTION

Ms. Lauritsen moved that the Board adopt LTD Resolution No. 1002-038, a Resolution adopting the Eugene-Springfield Transportation System Plan (TransPlan). Mr. Gaydos seconded the motion.

Mr. Kleger expressed his appreciation to the jurisdictional staff for the work that went into the TransPlan.

Mr. Bennett asked for clarity about what was planned next to occur with the TransPlan and what would trigger a change in the Transportation Demand Management (TDM) measures. Mr. Schwetz said that with adoption, TDM would continue existing programs, with the possibility that they could be expanded. The policy clearly sought voluntary measures with respect to TDM. TDM measures were somewhat tied to the Alternative Performance Measures that previously were approved by the Oregon State Department of Land Conservation and Development (DLCD). The Land Conservation and Development Commission (LCDC) and others would look to the community to increase the TDM efforts, which could include mandatory measures.

Ms. Hocken asked about the City of Eugene's amendment to change the scope of the I-5 Interchange Study, and what feedback had been received from the City of Springfield or Lane County. Mr. Schwetz said that there had been no negative feedback. It was discussed at the Metropolitan Policy Committee (MPC) meeting, and all jurisdictions thought the change was acceptable.

VOTE

There was no further discussion, and Ms. Wylie called for a vote on the motion to adopt TransPlan. The motion passed unanimously by a vote of 7-0, with Bennett, Kleger, Lauritsen, Hocken, Wylie, Gaydos, and Melnick voting in favor, and none opposed.

BOARD MEMBER REPORTS: 1) **MPC:** Ms. Wylie reported that at the August 16 meeting, projects for House Bill 2142 and how to prioritize those projects was discussed. There was interest in adding Franklin Boulevard to the list. Mr. Gaydos reported that at the September 13 meeting, during public comment, Rob Handy said that LTD needed to do a better job of understanding the West Eugene alternatives and should become a leader in the West Eugene alternatives rather than being a West Eugene Parkway advocate. MPC again discussed House Bill 2142 items and approved the list. There was nothing on the list that was extremely essential to LTD, except Pioneer Parkway, which some did not want on the list. Springfield and Lane County made a good presentation about why Pioneer Parkway should be on the list. MPC approved the TransPlan amendment that the City of Eugene had requested.

Ms. Wylie said that she would not be able to attend the MPC meeting on October 11. Mr. Gaydos and Ms. Hocken would attend. Ms. Hocken and Ms. Wylie would continue as LTD Board representatives at MPC through December. Mr. Gaydos and Ms. Wylie would represent LTD beginning in January 2002. Ms. Hocken would act as a substitute representative.

2) **BRT:** This discussion was continued from earlier in the meeting. Mr. Viggiano said that staff had been moving ahead to determine the next best corridors both in Springfield and in Eugene. The selection process began with all possible corridors, which were then narrowed down, with additional research provided on the shorter list. The process worked well in Springfield. Staff were recommending a north/south corridor along Pioneer Parkway in Springfield. The BRT Steering Committee had endorsed the proposal. The intent of the

corridor would be to serve the Harlow & Gateway area. The corridor would be presented to the Springfield Planning Commission on October 2 and to the Springfield City Council on October 8.

Mr. Melnick asked staff to provide more information about the two corridors that were considered and how the decision was made to recommend the Pioneer Parkway corridor.

Mr. Viggiano said that staff had met with the Eugene Planning Commission. The Planning Commission recommended narrowing the selection to three options. One was to continue west from the Eugene Station using 13th & 11th Avenues. The second option was the 6th/7th Avenue/Hwy 99 Corridor. The third option was the Coburg Road corridor, which could link with the Springfield Pioneer Parkway/Gateway corridor. The three corridors were recommended to the Eugene City Council, which chose to eliminate the 13th/11th Avenue corridor, narrowing the choices to two. There was discussion about what role LTD could have in the West Eugene Alternatives Analysis. Staff would have preferred to leave the West 11th Avenue corridor on the list for further consideration. Staff recommended that the three BRT Steering Committee members of the Board meet to review the data.

Mr. Gaydos said that he did not think the West 11th corridor was out of consideration, but the timing was not right with the West Eugene Alternatives Analysis.

Mr. Viggiano added that Eugene Mayor Torrey had made an interesting suggestion. As a variation of the Coburg route, Mayor Torrey suggested that the Gateway bus from Springfield travel through the Chad area, turn on Harlow, travel through Garden Way to the Duck Village apartments, through Autzen Stadium, and cross the footbridge off Franklin to serve the University.

3) **Springfield Station:** Mr. Simmons said that a design team had been selected. Staff met several times with the design team to discuss the scope of services and hoped to have a draft of the scope of services within the next few weeks. The first Springfield Station Technical Advisory Committee, which included LTD and Springfield City staff members, met early in September. The Springfield Station Design Review Committee would include Board members.

Mr. Simmons distributed a conceptual site plan. He said that a signal at South A and Pioneer Parkway East was essential to the project, and staff were working with the Oregon Department of Transportation to resolve the signal issue before continuing with the design work. Mr. Simmons also mentioned that Springfield staff were working on Mill Race set-back guidelines, which would be needed to further design the Park & Ride lot. Ms. Wylie noted that if the BRT Pioneer Parkway corridor was selected as the next phase of BRT, the Park & Ride lot would be even more important to the project.

Mr. Melnick asked who was doing the site design. Mr. Simmons said that OTAK Consulting in Portland had been contracted and most likely would do the design work in-house. Mr. Otto Poticha, a local architect, had been hired by OTAK. Mr. Melnick noted that one issue about the Park & Ride would be the amount of impervious surface and runoff into the Mill Race. Mr. Simmons said that the Environmental Assessment required 140 percent mitigation of storm water runoff. The proposed Park & Ride would be located along the Mill Race, so once the Mill Race set-back issue was resolved, staff would reconsider the Park & Ride proposal.

Ms. Hocken asked what source of funding was available for the Park & Ride. Mr. Viggiano said that the Park & Ride was eligible for the same funding as the station, since it was considered part of the environmental work for the entire station.

Ms. Wylie asked if Springfield had received grant funding for Mill Race improvements. Ms. Lauritsen said that the City had received \$1 million in design funding only. Government Relations Manager Linda Lynch said that none of the appropriations bills had been passed through Congress, so it was unknown if more funding would become available.

Ms. Wylie thought that if a Park & Ride could not be located at the new Springfield Station site, then LTD should work with the City of Springfield to identify another Park & Ride site somewhere adjacent to the station. Mr. Bennett agreed with Ms. Wylie. He thought the Park & Ride was very important and would become more so as BRT continued to grow. Mr. Simmons said there could be other opportunities for a Park & Ride on an adjacent property and thought those opportunities could be further explored.

Mr. Simmons further reported that rights-of-entry agreements with the necessary property owners were being sought, so that geo-technical work and surveys could be conducted.

Ms. Wylie said that it was important to continue to update LTD partners about the project. There had been much support for the station, and it would be important to keep those supporters informed on the progress of the station.

4) **RideSource Facility:** Mr. Pangborn said that the Board originally had discussed a shared property with the State Motor Pool being located in Glenwood for the new RideSource facility. However, staff believed that LTD eventually would need a satellite facility in West Eugene, and thought a West Eugene site would be a better location for the RideSource facility. Staff had identified an industrial site in West Eugene that was available. The Oregon Transportation Commission would be meeting to approve \$1.7 million in grant funding for a RideSource facility. With that assurance in hand, the planning process to select a site had begun. WBGS Architecture and Planning, PC, had been hired to conduct a site assessment in West Eugene. Staff would narrow the site selection to two sites, and had retained Parametrix to conduct the Environmental Assessment on those sites. Parametrix also was retained by Special Mobility Services, the service provider of RideSource, to provide the programming for the new facility. Mr. Pangborn added that the State Motor Pool site no longer was under consideration.

Ms. Hocken asked if staff were considering tying the proposed satellite facility in West Eugene to a future BRT line on Highway 99. Mr. Pangborn said the satellite facility mostly would be used as an operational facility, but it could service a BRT line in West Eugene in the future. Ms. Hocken asked if the site would incorporate a BRT station. Mr. Pangborn said that most sites that were under consideration were in industrial areas and most likely would not serve as a station. He added that the first priority of the site would be to accommodate RideSource services. It was hoped that the Environmental Assessment process would be complete and the design process would begin within the next six to eight months, and a construction contract signed by the end of next summer.

BOARD STRATEGIC PLANNING RETREAT: Mr. Hamm asked the Board to refer to pages 9 and 10 of the agenda packet. Staff had posed several questions about the Board's preference for the strategic planning retreat, which was scheduled for November 16 and 17 at the Hilton Conference Center in Eugene.

Mr. Bennett said that he thought the staff suggestions were good. He liked the idea of the Board meeting separately from staff for a short time. He hoped there would be an opportunity to converse with staff about the recent staff reorganization. He also said that he would prefer that Mr. Pangborn not be given facilitator responsibilities, thereby enabling him to participate more fully.

Mr. Bennett said that in the notes from the August Board meeting, Mr. Kleger had talked about having staff make a presentation about concrete content actions and activities, not generalities. Mr. Bennett asked for clarity of the issue. Mr. Kleger said that he had been concerned that, while the Board and staff needed to spend some time philosophizing, he believed there was a need to gain a better understanding of the practical realities of the impacts and consequences of Board decisions. For instance, with the LTD Budget Committee meetings in April 2001, there had been no discussion with citizen committee members about the direction LTD was taking. In order to get to that discussion, Mr. Kleger felt that fewer philosophical discussions needed to take place.

Mr. Melnick said that he agreed with Mr. Bennett's comments about the proposed agenda. He also agreed that the management retreat agenda was attractive because it already was more formulated and organized. He thought the reason for the Board retreat was to provide an opportunity outside of the regular short Board meetings for the Board and staff to dialogue with each other. He thought it was an opportunity for an honest discussion about how well the Board and staff worked and related together and to have an open discussion about whether or not the Board's or staff's needs were being met as a group.

Mr. Gaydos asked what would be the purpose of hiring an outside facilitator. He did not see a need for facilitator. Mr. Hamm said that sometimes with open dialogue, someone who was sitting as a third-party observer could identify the key pieces of discussion and organize those points. Also, a facilitator could pull out information that was not being given an opportunity to be shared. A facilitator could keep the conversation flowing and could observe not as a participant. The facilitator's job also included quantifying agreements, roles, etc. Mr. Hamm thought it would be beneficial to have the facilitator, particularly given the topics that would be discussed.

Mr. Kleger added that he preferred the style of a facilitator who not only kept the group focused, but also could identify issues that needed further discussion, and one who could bring out more discussion.

Mr. Hamm said that staff would draft a more structured agenda for Board review and would seek an outside facilitator.

GENERAL MANAGER REPORT: Mr. Hamm reminded the Board that the Oregon Transportation Conference (OTC) would be held in Seaside on October 28 through 30. He asked Board members to consider attending the conference. Mr. Kleger highly recommended the OTC as an opportunity for Board members to gain more insight about what was occurring in

transit all over Oregon. He said the OTC provided excellent workshops that were very worthwhile and relevant.

MONTHLY PERFORMANCE GROUP REPORTS: Service Planning Manager Andy Vobora reported that the implementation of the CSR had gone pretty well considering the number of changes. The biggest issue appeared to be about route timing, particularly with the new *Breeze* shuttle. Staff were compiling a list of the issues, but there were no glaring issues that would require immediate action. Some adjustments most likely would be made for the winter bid, but others would not be made until the Annual Route Review (ARR) changes in September.

Mr. Bennett said that the Board had made a collective decision to support the CSR. He did not think that judgments about the new service could be made until the University of Oregon and Lane Community College ridership began.

Mr. Melnick asked if a contingency plan was being considered for the known increase in enrollments at UO and LCC. Mr. Vobora said that staff had adjusted some service to both the UO and LCC, which included adding more capacity to LCC routes. Staff would continue to closely monitor overloads and would make adjustments as necessary.

Mr. Vobora reported that the *Breeze* shuttle service was going well. Staff met with the Oregon Department of Transportation and the City of Eugene early in the *Breeze* planning process to ensure that road adjustments were made in time for the service to begin on time. The *Breeze* was experiencing 1,300 or more rides per day, which was very good considering that the UO link was not yet being utilized. The biggest issue was with the timing of the route. There were certain times of the day when the service was falling behind. Staff had made timing adjustments to the route, and new timetables would be distributed during the next week. Mr. Vobora also noted that the *Breeze* bus operators did not get enough time for a relief period during a six-hour shift. Relief operators would provide a break for the regular operators. Also, staff would work on headways to allow more time for the route. Adjustments to the *Breeze* service would continue to be made as issues were identified.

Mr. Melnick asked if there was a goal for ridership. Mr. Vobora said ridership had been very good, and staff planned to bring a full ridership report to the next Board meeting. Ms. Wylie asked when the remainder of the *Breeze* buses were expected to arrive. Mr. Vobora said they were expected during the next few weeks. Staff hoped to have the new buses in operation by the end of October.

Mr. Vobora further reported that some difficulties were experienced with the first home UO football game shuttle service due to the new operating environment at Autzen Stadium and due to the late hour of the first game. Adjustments were made in time for the second game, which went well. LTD did not lose any shuttle ridership due to the first-game difficulties. Ridership for the first two home games averaged 900 rides above last year's average, and all riders departed Autzen Stadium within 45 minutes after the game.

Mr. Kleger asked about the automobiles using the bus lane. Mr. Vobora said that there really were no designated bus lanes, except a small portion of Leo Harris Parkway that was designated to allow the buses to exit onto Centennial.

MONTHLY FINANCIAL REPORT: Finance Manager Diane Hellekson said that there was a change in the format of the monthly reports, and that staff were transitioning to new reporting requirements. There were two reporting changes. The first for this year was the implementation of the Government Accounting Standards Board Rule 33 (GASB-33). LTD had the option to choose the method in which it would report. LTD was a modified accrual organization. In the past, LTD had accrued those revenues that were attributable to certain dates. Payroll tax receipts were reported as they were received, and not necessarily as they were collected by the Department of Revenue.

Ms. Hocken had asked why estimates were not being made for each month. Ms. Hellekson explained that because LTD was a modified accrual organization, there were two standards used to determine what revenue was accrued. One was measurability, and the other was accessibility. Revenues collected during the summer were both measurable and accessible to pay June 30th bills, which carried over as part of fiscal year-end. In contrast, the exact amount of revenue that would be accrued for July, August, and September, and received in November was unknown. Also, there were other considerations in the accrual of tax revenue received in November. For example, should revenue accrue back to when the actual employer payroll was paid or to when the Department of Revenue actually collected it? For the August report, LTD took the middle ground and accrued back to what was measurable and accessible. This resulted in the appearance that LTD lost \$3 million in the first quarter. LTD always had financed the first quarter of the fiscal year operations on revenue that was earned during the previous fiscal year. The Board Finance Committee would be discussing the issue in more detail at its next meeting. The GASB-34 would become a requirement in two years, and LTD would be required to report a full accrual at that time.

Mr. Melnick asked staff to prepare a two-line graph with one line that showed accruals and one line showing accessibility of revenues.

Mr. Bennett said that he appreciated the comments to the financial statements that were provided in the agenda packet. He was concerned about what would happen to the revenues during this difficult economic time. Ms. Hellekson said that LTD would see an impact from the downturn of the economy.

STIP STAKEHOLDER GROUP & PROCESS: Government Relations Manager Linda Lynch reported that the Oregon Transportation Commission had not issued a final report on its review of the Statewide Transportation Improvement Plan (STIP) process. It would be October before a final report would be issued, but staff were not expecting many changes to be made.

CORRESPONDENCE: Ms. Hocken thanked staff for sending a letter to the Eugene City Council about the timing issue with the BRT funding. She said the letter was well stated.

ADJOURNMENT: Mr. Kleger said that he would be making a CSR presentation to his neighborhood group. There being no further business, Ms. Wylie adjourned the meeting at 8:21 p.m.

Board Secretary

FINANCE COMMITTEE AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: OCTOBER FINANCIAL STATEMENTS

PREPARED BY: Diane Hellekson, Finance Manager

ACTION REQUESTED: None

BACKGROUND: Financial results for the fourth month of the fiscal year are summarized in the attached reports. The September report, which was presented to the Finance Committee on November 9, will be distributed to the rest of the Board at the beginning of the November 19 work session.

After a slip in September from the strong start at the beginning of the summer, passenger fares have rebounded. Year-to-date results are now about \$8,000 below budget expectation due to strong October performance. Group pass receipts also made up some ground in October, but still lag the budget goal year-to-date by more than \$21,000 due to the closure of technology businesses over the summer. The largest contributor to the four-month shortfall is Hynix. Hynix's parent corporation was successful in obtaining additional financial support for its restructuring effort, and it is still a possibility that the West Eugene plant will reopen after January 1. About 100 Hynix employees reportedly have been recalled to work ahead of the January decision date. Both group pass and passenger fare receipts are ahead of the previous year's first quarter.

After discussion by the Finance Committee on November 6, it was decided to report payroll and self-employment tax revenues on a cash basis. The information also will be prepared on an accrual basis each month and made available to Board members who wish to see both versions.

Payroll tax receipts are over budget for the first four months of the current year, and 5.1 percent ahead of last year. This result suggests that revenue in the current year is on track. Year-to-date receipts have been skewed by the recovery of more than \$200,000 in past-due receipts from prior fiscal years, which accounts for all of the year-to-date positive variance. Receipts through mid-November maintain the positive variance.

Interest income for October was down as compared with both budget and prior year. The year-to-year comparison shows the effect of rate reductions that have substantially reduced earning potential in the last several months. Current investment rates are half of what they were a year ago. In addition, the current-year budget anticipated the investment of bond sale proceeds, with earnings spread over the entire fiscal year. No

action has been taken on debt financing to date, so debt expense savings offset lower interest earnings to some extent. Debt research continues. Rates continue to be very favorable, and have fallen to near record lows in recent days.

Personnel services expenses are within budget parameters through October, but are a source of concern as LTD plans for the future. Growth of this largest component of the operating budget stands at nearly 12 percent over last year. Tax receipts, the principal source of subsidy, are expected to be flat under optimistic assumptions. It is possible that tax receipts may decline in the next year or two. It will, therefore, be necessary to slow the growth of personnel services expenses in order to make sure that the General Fund remains self-supporting. Reductions in force and other course-correction actions were implemented in November as part of a long-term plan to balance the General Fund and provide sufficient local funding for high-priority capital projects.

Year-to-date materials and services expenditures are down versus budget and prior period due in part to lower fuel costs, but primarily because a significant transfer of excess operating reserves was made to the Capital Fund last year, which was a one-time event. The current-year budget pared planned non-personnel expenses as part of the effort to trim operating costs in anticipation of the slower economy. Additional reductions in this expense category are anticipated.

Special Transportation Fund expenses are as anticipated through October. As previously noted, the transition of Special Transportation administrative services from Lane Council of Governments (LCOG) to LTD required time and created uncertainty for the budget process in that there were numbers that were not known by the end of the last fiscal year. One of those numbers, the cash balance to be carried forward, was higher than LCOG originally estimated. As a result, there is a cash balance in the Special Transportation Fund of nearly \$444,000. A supplemental budget will be required to complete the transition of this program and will be scheduled later in the fiscal year.

October Capital Fund expenses also are as anticipated. Progress on individual capital projects will be reported to the Board as separate items.

The Comprehensive Annual Financial Report (CAFR), including auditors' statements, was distributed with these agenda materials as part of a work session item. A representative of the audit firm Grove, Mueller & Swank will attend the November meeting to present audit findings and answer any questions that Board members may have.

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 Projects Fund
4. Income Statements
 - a. General Fund
 - b. Special Transportation Fund
 - c. Capital Projects Fund

PROPOSED MOTION:

None

FINANCIAL PLAN ISSUES

LTD Board

Strategic Planning Work Session

November 16, 2001

Where Are We and How Did We Get Here?

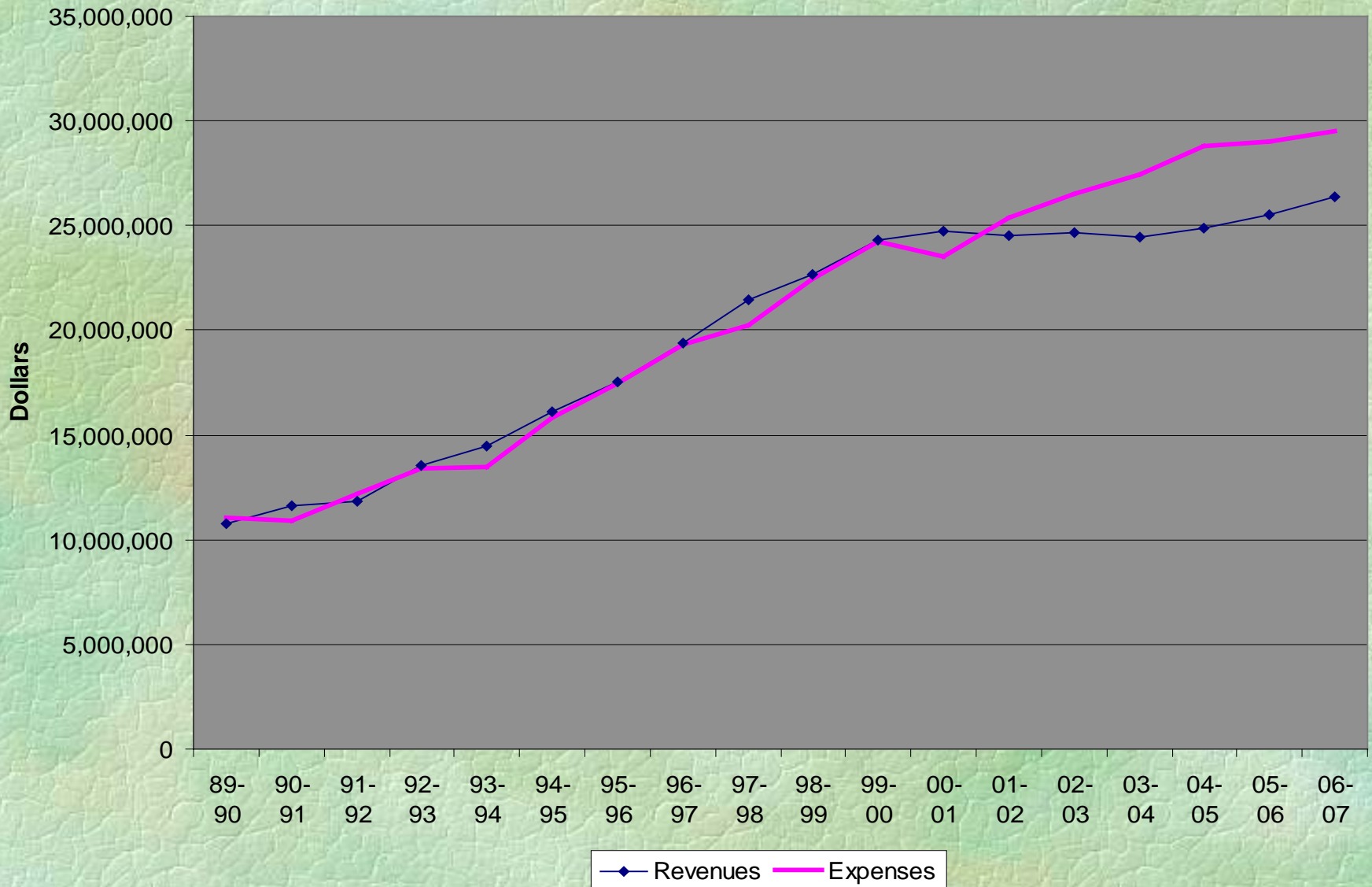
- ⊕ Not in crisis mode
- ⊕ Administrative staff expansion during period of strong economic growth
- ⊕ Aggressive capital agenda coupled with increasing competition for federal discretionary funds

Where Are We and How Did We Get Here? (cont.)

- ⊖ Loss of clout in federal discretionary arena
- ⊖ Economic downturn
- ⊖ ATU contract that provides more wage expense growth than operating revenue can fund

Revenue and Expense Growth

Before Expense Mitigation



Financial Planning Process

STEP 1: BALANCE GENERAL FUND

1. Eliminate discretionary materials and services
2. Improve service and operator scheduling efficiency
3. Eliminate positions with discretionary responsibilities
4. Cut lower productivity service
5. Other cost reduction measures, as necessary

Financial Planning Process (cont.)

STEP 2: PRIORITIZE CAPITAL IMPROVEMENT PROJECTS

- 1. Confirm components and timing of BRT phases**
- 2. Identify necessities and non-necessities**
- 3. Approve appropriate timelines for all projects**

Financial Planning Process (cont.)

STEP 3: IDENTIFY FUNDING REQUIREMENTS

1. Identify capital gaps
2. Consider funding alternatives
3. Determine long-term general fund contribution to capital requirement (if any)
4. Explore short- and long-term operating revenue opportunities

Financial Planning Process (cont.)

STEP 4: FINALIZE CIP AND LRFP

STEP 1: BALANCE GENERAL FUND

1. Eliminate discretionary materials & services

- Travel and training in current year**
- Special events**
- Meals**
- Services**
- Supplies and equipment**

Current Year Materials & Services

Eliminate banquet	\$18,000
Move BRT back to Glenwood*	\$0
Eliminate Take Care Program	\$10,000
Eliminate barbecues	\$5,000
Eliminate Bus Roadeo**	\$0
Eliminate plant service	\$900
Reduce contract services	\$10,000
Other misc. reductions	<u>\$16,890</u>
	\$60,790

Step 1: Balance General Fund (cont.)

2. Improve service and operator scheduling efficiency

- Reduce stand time**
- Reduce overtime**
- Reduce layover time**
- Reduce markoff time**
- Reduce prep time**

NO CURRENT YEAR SAVINGS ASSUMED

Step 1: Balance General Fund (cont.)

3. Eliminate positions with discretionary responsibilities

- Terminate employees whose services are less essential in carrying out current priorities**
- Demote employees who have partially discretionary responsibilities**

Current Year Position Reductions

1.0 Marketing Manager	\$26,300
1.0 Operations Supervisor	\$22,000
0.5 Training Position	\$20,000
0.6 Receptionist	\$11,300
1.0 IS Technician	\$21,200
1.0 Inventory Technician	\$16,000
1.0 Bus Cleaner	\$15,000
1.0 Facilities Generalist	\$15,300

Current Year Position Reductions (cont.)

1.0	Administrative Secretary	\$25,000
1.0	TDM Associate	\$29,500
1.0	Service Planning Technician	\$17,000
1.0	Distribution Assistant	\$11,300
0.5	Graphics Supervisor	\$11,400
0.5	Transit Planning Technician*	\$21,800
1.0	HR Trainer (new position)	\$7,500

Total FTE Reduction: 13.1

Current Year Savings: \$270,600

Current Year Position Demotions

Administrative Office Supervisor	\$3,760
Information Systems Manager	\$7,440
Service Planning Manager	\$600
Facilities Manager	\$0
Marketing Projects Supervisor	\$5,010
Marketing Representative*	<u>\$1,800</u>
	\$18,610

**Total Current Year Personnel Services
Savings: \$289,210**

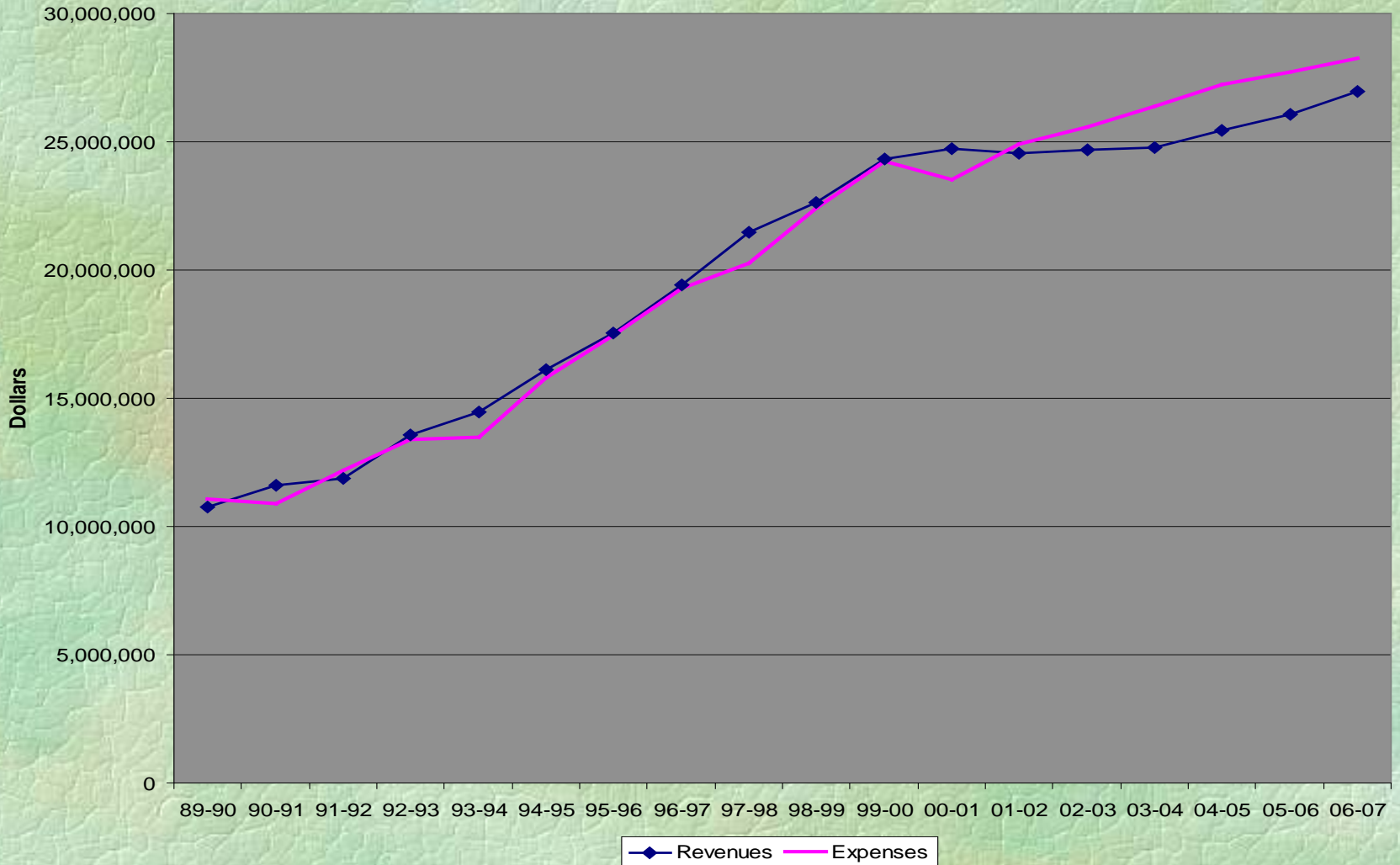
**Total Materials & Services Savings:
\$60,790**

Total Savings: \$350,000

Budget Suggestions Not Included in Model

- ⊖ **Reduced administrative work week**
- ⊖ **Rotating unpaid furloughs**
- ⊖ **No annual COLA or market adjustment**
- ⊖ **Freeze on merit increases**
- ⊖ **Health insurance co-pay of premium**
- ⊖ **Retirement plan contribution reduction**

Revised Revenue & Expenditure Growth



Additional Measures

Increase revenue

- Economic recovery
- Significant ridership gains
- New revenue sources
- Payroll tax increase

Additional Measures (cont.)

- **Fare instrument price increases**
- **Fare structure changes**
- **Other?**

Additional Measures (cont.)

⚙️ Decrease expense

- Operator and service scheduling efficiencies**
- Fleet services efficiencies**
- Lower maintenance standards**
- Special service cuts**
- Fixed-route service cuts**
- Other cost reductions**

What if . . .

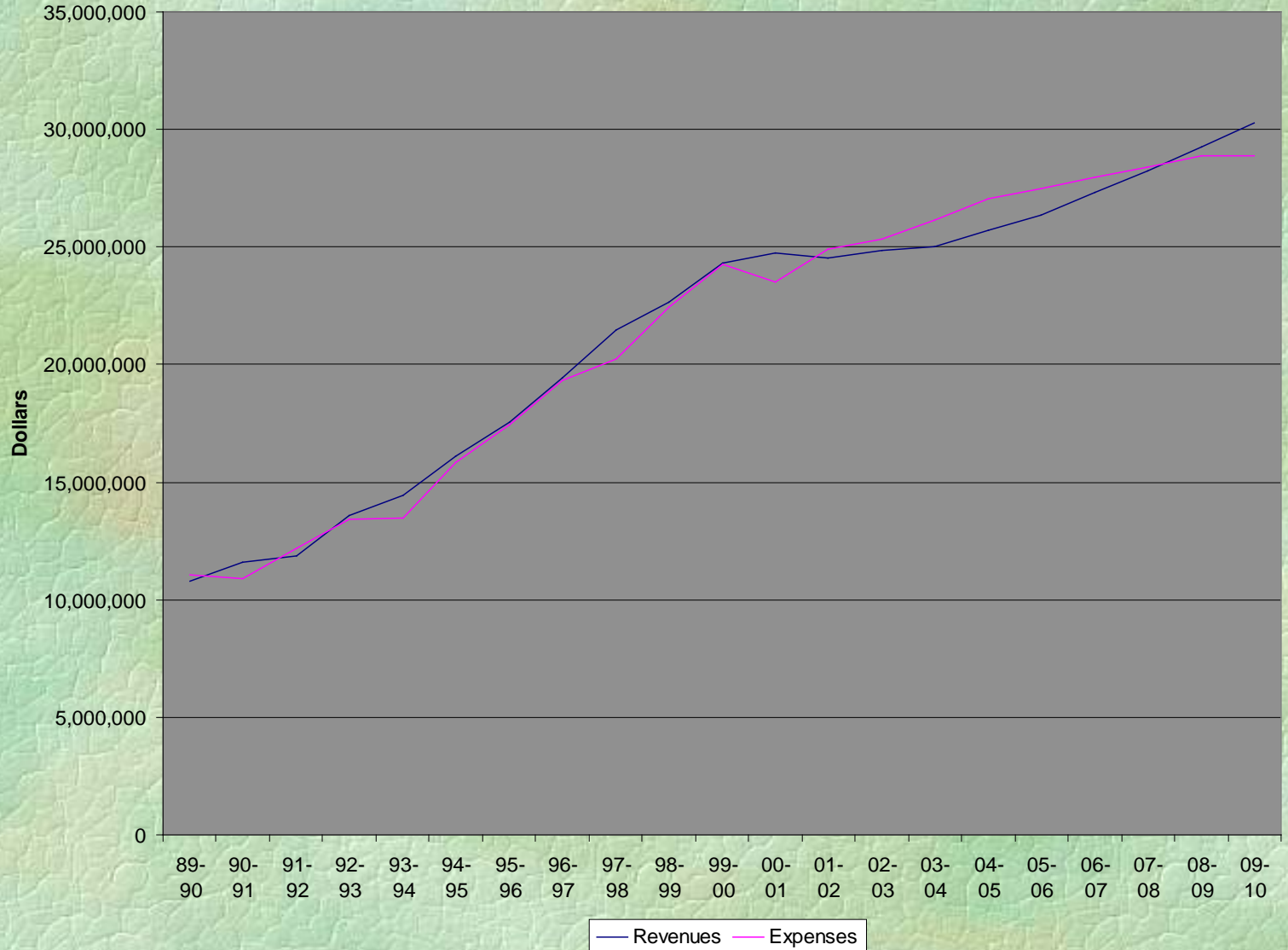
The economy makes a moderate recovery next year?

Service and scheduling efficiencies are identified and realized beginning with Fall 2002 service?

Other wage control measures are successful?

Revenue & Expense Growth

Optimistic Assumptions



Conclusions to Date

- ③ Expenditure control measures taken to date have helped but, even under optimistic assumptions, will be insufficient to correct the long-term problem.
- ③ Not only are operating revenues projected to be inadequate to support current service levels into the future, capital funds from all known sources are inadequate to fund even a revised capital project agenda. (More discussion on capital this afternoon.)
- ③ Operating expenses must be controlled in order to assure that revenues equal or exceed expenses.

Budget Decision Timeline

NOVEMBER 2001:

- 13.1+ FTE eliminated
- Materials & services adjustments implemented
- Staff directed to identify and implement service and support efficiencies

Effect on FY 2001-02: \$350,000 saved

DECEMBER 2001:

- First-quarter tax receipts analyzed
- Additional cuts in current year planned, if necessary
- Board reviews/approves LRFP and CIP

Budget Decision Timeline (cont.)

JANUARY 2002:

- Expense reductions implemented, if necessary
- Capital debt financing options reviewed/decision made

MARCH 2002:

- Second-quarter tax receipts analyzed
- Additional cuts in current year and proposed budget planned, if necessary

APRIL 2002:

- Proposed budget presented to Budget Committee for approval based on current assumptions, year-to-date results, and long-range financial needs
- Fall service approved
- Expense reductions implemented, if necessary

Budget Decision Timeline (cont.)

JUNE 2002:

- Third-quarter tax receipts analyzed
- Approved budget adjusted as necessary before Board adoption at June meeting

SEPTEMBER 2002:

- Fourth-quarter tax receipts analyzed
- Independent audit site work completed

OCTOBER 2002:

- First-quarter revenues and expenses analyzed
- Financial plan adjustments planned, if necessary
- LRFP and CIP plans proposed by staff
- Management staff hold strategic planning work session to prepare for Board of Directors' planning session

Budget Decision Timeline (cont.)

NOVEMBER 2002:

- Draft LRFP and CIP reviewed with Finance Committee
- Board of Directors holds strategic planning work session

DECEMBER 2002:

- First-quarter tax receipts analyzed
- Revised LRFP and CIP presented to Board of Directors

Timeline Summary

Decision points:

- ⊕ **January 2002 (for current year)**
- ⊕ **April 2002 (for next fiscal year)**
- ⊕ **June 2002 (for next fiscal year)**
- ⊕ **December 2002 (mid-year course correction, if necessary)**

LTD Board Action Required

- ③ Policy direction to assure that projects and services are funded and maintained in priority order (to complete Steps 1, 2 and 3 of the financial planning process)
- ③ General direction as to how involved the Board would like to be in operating cost reduction decisions
- ③ Cost containment/reduction suggestions

LTD Board Action Required (cont.)

- ⊕ Risk tolerance profile to help staff determine which funding options to pursue and in what priority order
- ⊕ Policy direction for community programs such as Commuter Solutions, which are regional in scope but funded by LTD
- ⊕ Subsequent approval of the LRFP and CIP (Steps 3 and 4) at a future regular Board meeting

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

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 19, 2001

ITEM TITLE: ATU WITHDRAWS GRIEVANCE CONCERNING BUS ENGINE OVERHAULS

PREPARED BY: David Dickman, Human Resources Manager
Ron Berkshire, Fleet Services Manager

ACTION REQUESTED: None

BACKGROUND: Since April 1998, LTD's Fleet Services Department has subcontracted four-cycle engine overhauls for reasons of economy and efficiency and in order to meet specific environmental standards required by the federal government. Further, the Fleet Services Department did not have the required rebuilding and testing equipment to perform this work in-house to meet the federal standards.

The Amalgamated Transit Union, Local 757, filed an initial grievance in May of 1998. The District has an extremely well-documented and strong position on the merits of this grievance. However, the District ultimately contended that this grievance was not "timely filed" and therefore was time barred from further processing and arbitration. The Union withdrew this grievance on February 18, 1999.

In May of 1999, the District continued its program of subcontracting engine overhauls. On May 17, 1999, the Union filed another grievance (new grievance with the same issues) on engine overhauls. The Lane Transit District and Amalgamated Transit Union collective bargaining agreement does not forbid subcontracting. It has been the District's position that it has the management right, where appropriate, to make subcontracting decisions.

The District responded to the grievance on June 24, 1999. In this letter the District outlined the basis of its belief that the District's case, on the merits, was strong. The District suggested that meetings be held in an attempt to resolve the grievance. The Union never replied to the issues in our letter of June 24, 1999. It did request meeting dates with the District, in a letter received on August 30, 1999. By this late date, the District believed that the Union had waived pursuit of this grievance. When the ATU continued to advance this grievance, the District contended that ATU was not

processing the grievance in a timely manner, having missed the deadline to compel the District to submit this issue to arbitration.

The last contact from the Union in 1999 on this grievance occurred on October 12, 1999. The Union letter states in part, "We will be contacting you in the near future once we receive a list of arbitrators." The next contact from the Union on this issue took place February 2, 2001—fifteen months later.

On October 30, 2001, the Amalgamated Transit Union withdrew its grievance. Lane Transit District views this withdrawal as "with prejudice," meaning that the District is free to subcontract engine overhauls without further grievances from the Union.

This case was a very important one for LTD. The ATU contended that the District violated the collective bargaining agreement when the Maintenance Department sent engines to Cummins Diesel to be rebuilt. However, the contract is silent on the issue of subcontracting. The District has sent out other maintenance work in the past, and has done so with regularity. The District was justified in sending this work to Cummins and in deciding not to undertake it in-house for a number of reasons: LTD personnel were not trained, or capable of performing the work without expensive training; LTD could not perform the work without making a substantial capital investment in tools and machines; work performed by the engine manufacturer was warranted for a year; and, by sending the work out, LTD was able to shift liability for EPA compliance to the vendor. The decision to contract out had no impact on the bargaining unit in that no one lost work, and during the period this grievance was pending, LTD has hired two additional mechanics. At no time have the District and the ATU bargained to restrict the District's ability to subcontract out work not routinely performed by the bargaining unit.

C. Akin Blitz and Jackie Damm, attorneys with the firm of Bullard Smith Jernstedt and Harnish and counsel to the District in labor and employment matters, assisted the District in this matter.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** November 19, 2001
- ITEM TITLE:** ACCEPTANCE OF AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2001
- PREPARED BY:** Diane Hellekson, Finance Manager
- ACTION REQUESTED:** That the Board accept the independent audit report for the fiscal year ending June 30, 2001
- 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 2000-2001 CAFR appears as an attachment to an information item for the November 19th 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, FY 1998-99, and FY 1999-2000 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 five reports. After Board acceptance, staff will submit the FY 2000-2001 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:
- LTD Resolution No. 2001-040: Resolved, that the LTD Board of Directors accepts the Independent Audit Report for the fiscal year ending June 30, 2001.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: BOARD MEMBER REPORTS

PREPARED BY: Jo Sullivan, Executive Assistant

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:

1. **Metropolitan Policy Committee:** MPC meetings are held on the second Thursday of each month. LTD's MPC representatives are Board members Pat Hocken and Hillary Wylie, with Gerry Gaydos and Rob Bennett as alternates. At the Board meeting, they can provide a brief report on the October 11 and November 8, 2001, MPC meetings. The next MPC meeting is scheduled for December 13.
2. **BRT Steering Committee and Board BRT Committee:** 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 three LTD Board members also meet separately as the Board BRT Committee. Since Mr. Bennett's term on the LTD Board will be expiring in January 2002, the Board president has been asked to name a Board member to replace him on these two committees. The full Steering Committee last met on November 6, and is scheduled to meet again on December 4.
3. **Statewide Livability Forum:** Board member Virginia Lauritsen is participating on a statewide committee called the Livability Forum, as one of 12 participants from the Eugene/Springfield area. The committee has been meeting once every six months, and last met in April 2001. There is no report this month.

4. **Board Finance Committee**: The Board Finance Committee (Chair Pat Hocken, Gerry Gaydos, and Virginia Lauritsen) met on November 6 and will have a report for the full Board at the November 19 meeting.
5. **LCDC Meeting**: Board President Hillary Wylie spoke before the Land Conservation and Development Commission (LCDC) about bus rapid transit when the LCDC met in Eugene on November 1. She will provide a brief update for the Board on November 19.
6. **Oregon Transportation Conference**: Board member Virginia Lauritsen attended the Oregon Transportation Conference in Seaside October 28-30. At the November 19 meeting, she can provide a brief summary of the conference and the different sessions she attended.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

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

- ◆ September 29, 2001, letter of appreciation from Charlotte Behm regarding Lane Community College (LCC) service and the new LCC Station

At the November 19, 2001, meeting, staff will respond to any questions the Board members may have about this correspondence.

PROPOSED MOTION: None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, September 19, 2001

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, September 19, 2001, at 5:30 p.m., was canceled because of a conflict with an Oregon Transportation Commission meeting in Eugene. A special meeting was held on Monday, September 17, 2001, instead.

Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, October 17, 2001

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, October 17, 2001, at 5:30 p.m., was canceled due to a lack of agenda items requiring Board action. No Board of Directors meeting was held in October 2001.

Board Secretary

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: BRT UPDATE

PREPARED BY: Mark Pangborn, Assistant General Manager
Stefano Viggiano, Planning and Development Manager

ACTION REQUESTED: None. Information and discussion only.

BACKGROUND:

Grant: The federal grant for the Bus Rapid Transit Phase 1 project received final approval and was released on September 25, 2001.

Intergovernmental Agreements (IGAs): Staff have been working with Eugene, Springfield, and the Oregon Department of Transportation (ODOT) on IGAs that will guide the interjurisdictional coordination of the Phase 1 design. The IGA with Eugene is in final draft form and is expected to be signed shortly. The IGA with Springfield was reviewed by the Springfield City Council on October 22, 2001, and also should be signed at any time. The IGA with ODOT is still in development.

Design Team: Contract negotiations continue with Parsons Brinkerhoff, the lead firm for the team selected as the top choice to provide engineering and architectural services for the BRT Phase 1 project. It is expected that a contract will be negotiated very soon.

Next BRT Corridors: Board action on the selection of the preferred corridor for the next BRT line in Springfield is included in this packet as a separate action item.

Work continues on the more detailed investigation of the "short list" of options for the next corridor in Eugene. A final selection for the general alignment likely will not be made until January 2002. At last month's meeting, Board members had asked for the data collected for the Eugene corridor selection. It is attached.

ATTACHMENTS: Packet of data for Eugene BRT corridor selection

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

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 19, 2001:

- ◆ Approval of minutes: September 17, 2001, special Board meeting
- ◆ Approval of minutes: September 19, 2001, canceled regular Board meeting
- ◆ Approval of minutes: October 17, 2001, canceled regular Board meeting
- ◆ Approval of Special Transportation Fund Advisory Committee Name and Bylaws Changes

ATTACHMENTS:

- (1) Minutes of the September 17, 2001, special Board meeting
- (2) Minutes of the September 19, 2001, canceled regular Board meeting
- (3) Minutes of the October 17, 2001, canceled regular Board meeting
- (4) Revised Special Transportation Advisory Committee Bylaws

PROPOSED MOTION: I move that the Board adopt the following resolution:

LTD Resolution No. 2001-039: It is hereby resolved that the Consent Calendar for November 19, 2001, is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: NOVEMBER AND DECEMBER 2001 EMPLOYEES OF THE MONTH

PREPARED BY: Jo Sullivan, Executive Assistant

ACTION REQUESTED: None

BACKGROUND: **NOVEMBER 2001 EMPLOYEE OF THE MONTH:** Payroll Specialist Jeff Hoss was selected as the November 2001 Employee of the Month. Jeff was hired by the District on September 12, 1994, as an accounting technician. He was promoted to his current position in July 2000. He was nominated for this award by a bus operator, who appreciates the way Jeff makes people feel welcome when they stop by his office. She said that he makes time for people and is very eager to help. She also appreciates his great smile and attitude about life.

When asked to provide an additional statement about what makes Jeff a good employee, Finance Manager Diane Hellekson said:

Jeff is one of those rare people who feel honored to serve others. Nothing is too much trouble if it helps other employees: it might be coming in at 4 a.m. during a difficult operator payroll system transition period, doing independent research to help an employee understand the tax consequences of certain decisions, or just anticipating how organizational stress will impact other employees and doing whatever he can to mitigate things. Jeff is the consummate professional. LTD has received so many compliments on Jeff's contribution to the organization that it seems routine to receive them. The praise comes from operators, co-workers, external service providers who depend on Jeff's technical expertise and efficiency, and even members of the public who need prompt, accurate information and get it with a smile. Jeff's co-workers feel that Employee of the Month is an honor long overdue for him, and we celebrate his selection with great pride, admiration, and gratitude.

DECEMBER 2001 EMPLOYEE OF THE MONTH: Bus Operator Roxi Moore has been selected as the December 2001 Employee of the Month. Roxi was hired by the District on January 16, 1995, as a bus operator. In February 2001, she was selected to be a bus operator instructor. Roxi

has earned awards for four years of safe driving and six years of correct schedule operation.

Roxi has received numerous nominations for Employee of the Month from customers who appreciate her safe driving and customer service skills, her friendly and helpful attitude, and her sense of humor and smile. One guest commented, "She goes the extra mile to make me feel accepted and okay with my disabilities." Another guest appreciated the extra efforts that Roxi took when the customer left her wallet on Roxi's bus. Roxi was described by yet another guest as being "very nice and overly polite to customers." Roxi's co-workers have expressed their appreciation for her enthusiasm, her team attitude, her sense of humor, and the creative costumes she wears on Halloween.

When asked to provide an additional statement about what makes Roxi a good employee, Training Supervisor Vern Rogers said:

When Roxi was employed by the District in January 1995, she brought with her a positive attitude and character that is enjoyed by all. One thing that stands out about Roxi is that she is able to do a fine job and have fun doing it. You can always count on her to have a fun costume for Halloween. Proof of her great interactions with her customers is the fact that she has been nominated for Employee of the Month several times during the last year.

Roxi was selected as an instructor for new operator training in February 2001, and shows genuine interest in the progress of new employees. They appreciate her skills as a bus operator and how she makes the learning experience enjoyable.

Our congratulations to Jeff and Roxi on their selection as the November and December Employees of the Month!

AWARD:

Jeff and Roxi will attend the November 19, 2001, meeting to be introduced to the Board and receive their awards.

MONTHLY FINANCIAL REPORT COMMENTS

November 19, 2001

Revenue:

- **Passenger fares** have recovered after a weak September, but remain slightly below budget for the year. The group pass program has been affected by downsizing on the part of major participants. The loss of Hynix's participation will have an estimated \$30,000 impact on annual revenue.
- **Special service** receipts are as expected. Ridership was up significantly for the Lane County Fair and has been strong through the first four University of Oregon home football games.
- **Payroll and self-employment tax revenue** has been reported on the cash basis, as in prior years. Payroll tax year-to-date receipts are as anticipated through October. Local job losses in the high-tech sector may have an impact on payroll tax receipts, but no significant downturn has been noted through mid-November. It is not yet known if the General Fund tax appropriation for the current fiscal year is an attainable goal.

Expense:

- **Administration personnel** expenses are slightly over budget through October and show 10.6 percent growth over the previous year.
- **Contract personnel** expenses are as expected year-to-date, and show an 11.7 percent increase over the previous year due to contract changes and net service additions.
- **Materials and services** expenses generally are as anticipated by the budget. There were some timing anomalies in how the budget anticipated expenses by month.
- **Capital** expenses also are as anticipated by the budget. Phase 1 BRT grant funds were obligated before the September 30 deadline.

Memorandum

Date: October 31, 2001
To: Ken Hamm
From: Ron Berkshire
RE: October Fleet Services Department Report

The month of October has been very busy in Fleet Services with the arrival of three AVS buses and football shuttle service. Here is a summary of activities for the month.

- We received three AVS buses and are in the process of accepting these units. There are a number of issues that must be resolved before we fully accept and pay for the units. One of the larger issues is accessibility, and AVS is in the process of revising the kneeling feature of the units to help negate the aggressive ramp angle in the entry floor. The entire front of the buses now kneels, but recovery time from kneel position is unacceptable (1.75 minutes). Reducing recovery time should not be difficult, but AVS seems to be struggling with the problem.

In the process of painting the second unit, an issue arose with blemish repairs made at the factory on the exterior skin. Improper surface preparation of these blemishes caused the paint from these repairs to peel when our painter applied and removed the making tape during the application of our special paint. Resolution of this issue is going to be very expensive (\$6,500) and AVS must resolve it.

There are a number of smaller issues that already have been resolved by AVS and others that are being addressed or will be addressed. To help address some of the ADA issues, we have modified the flip-up seat and tie-down system, increasing the turning and tie-down area by an additional 7 inches in width and 5.5 inches in length, for an overall dimension of 53 inches by 58 inches. In comparison, a 900-series bus has an area of 54 inches by 62 inches, and a 700-series bus, 56 inches by 56 inches. In addition, we have modified the tie-down system to closely match LTD's standard system.

The last three buses are in the final stages of inspection and will be held at the factory until all modifications are complete and all issues resolved. The national sales manager and president of AVS will be on our property November 2, in an effort to resolve the major issues with these buses.



Lane Transit District

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Within the next few days, we plan to operate an AVS bus on a regular route to evaluate performance and sustainability of systems and to make necessary adjustments to meet the demands of the route.

- Maintenance Supervisor Ernie Turner recently attended the Public Transportation Conference in Wenatchee, Washington. His main objective was to attend the Allison Hybrid-Electric Drive presentation and become familiar with their system and how it might fit into our operation. His response to the conference was positive. He had an opportunity to visit with the Allison people and discuss issues around hybrid-electric technology with other transit operators.
- Fleet Services Office Manager Doris Dioszeghy participated in the Eugene Police Department Diversity training and felt the training was very worthwhile.
- The uniform policy concerning the use of LTD standard coats and jackets was implemented. This policy was delayed waiting for the arrival of coats and jackets. Implementation of this policy did not go without controversy, but employees appear to be adjusting.
- Safety vests are required to be worn whenever an employee takes a bus off property or is working on a bus off property. Vests also are required at night while out in the parking lot.
- I have been working with Information Services staff to develop labor summary reports that can be used for analysis and performance reporting. This is the first step in identifying meaningful performance measures that can be used by the Department and the District.
- Design and prints for the construction of a mezzanine in the inventory warehouse have been completed with a final cost analysis in process. Assuming costs are within the projected range and LTD chooses to move ahead, construction will begin in early 2002.
- I have been working with New Flyer to identify an existing contract, which LTD could tag onto for the purchase of 5 articulated buses. Nothing has materialized, and I am now working with Joyce Surprise of Neoplan. She has suggested that LTD attempt to tag onto a contract held by Fresno. We presently are pursuing this potential opportunity.

AGENDA ITEM SUMMARY

DATE OF MEETING: October 17, 2001

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. **Capital Improvements Program:** The Fiscal Year 2001-02 CIP will be brought to the Board for approval at either the December 19, 2001, or the January 16, 2002, Board meeting.
- B. **Long-range Financial Plan:** The Fiscal Year 2001-02 Long-range Financial Plan also will be on the agenda for either the December 19, 2001, or the January 16, 2002, Board meeting.
- C. **Special Transportation Program Update:** At the December 19, 2001, Board meeting, staff will provide a report on the Special Transportation Program and the plans for a new RideSource facility.
- D. **Commuter Solutions Report:** Staff will prepare a report on the Commuter Solutions program for the Board's information at the December 19, 2001, Board meeting.
- E. **General Manager's Evaluation:** The Board Human Resources Committee will develop a recommendation for evaluation of the General Manager's performance in early 2002.
- F. **Supplemental Budget:** A supplemental budget to complete the transition of the Special Transportation Program to LTD will be presented to the Board for approval at a meeting later in the current fiscal year.
- G. **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.



LTD General Manager's Report

November 2001 Board Meeting

Future Dates to Remember in 2001-2001

External Activities of General Manager

September 28 –

October 4 APTA Annual Meeting in Philadelphia

October 29-30 Oregon Transit Association Conference, Seaside

Internal Activities

October 18-19 LTD Leadership Council retreat

UO FOOTBALL AND BASKETBALL SERVICE IN FULL SWING

The Transit Operations team has put a significant amount of effort into special services the past month. Football service has been improving with each game and basketball service is overlapping. Operations employees have been putting in extra effort to ensure that the service is the quality that our guests expect. Time changes in games and other last-minute changes provide additional challenges for staff, but they have been able to overcome the obstacles and provide great service to our guests.

HEIGHTENED SECURITY AWARENESS

Because of recent events, the Transit Operations Security staff have taken the opportunity to evaluate our security policies and procedures and make some adjustments. Staff have raised the awareness off operators and other field staff of potential security issues and suspicious activities. We also have instituted some new procedures to better protect our guests and employees. We do not believe that LTD is in any way a target, but took the opportunity to improve system safety as a preventive measure.

OVERALL ACCIDENT RECORD CONTINUES TO IMPROVE

The 2001 accident statistics are complete through September. Overall accidents decreased significantly from last year. There have been 91 total reported accidents this year as compared with 115 for the same period last year. Preventable accidents also decreased significantly. This year, 36 accidents have been determined to be preventable, compared with 49 for the same period last year. The department's training staff, supervisors, and bus operators all play a part in ensuring that LTD has the safest system possible, and their efforts are resulting in fewer accidents.



LTD General Manager's Report

November 2001

Future Dates to Remember

December 19 Regular Board Meeting

Breeze Shuttle

Two issues have arisen. First, running time is affected by traffic. We can't meet the 50-minute running time originally scheduled; it needs to be increased to 60 minutes. Second, we can't meet the current capacity with 30-foot Gilligs operating the service.

Proposed solutions: We have increased the frequency of service from 10 minutes to 12 minutes. It would cost an additional \$90,000 annually to add buses to recreate the 10-minute headways originally promised.

The AVS buses do not have the capacity to carry everyone who is waiting at the University of Oregon (UO) Station. They also have some access and capacity problems for our guests with disabilities. We propose to mix AVS and Gillig buses on this service. With the higher UO census, it may become necessary to reconsider this strategy.

University of Oregon Football and Basketball Service

The Transit Operations and Service Planning teams have placed Duck sports services in full swing. Extra effort has gone into assuring the quality of service for these special events. Event time changes and other last-minute adjustments have challenged the team and caused additional costs, but LTD has responded well. Ridership appears strong.

Security Awareness

Because of recent events, LTD has evaluated the District's security policies and procedures. The Transit Operations security group has raised the awareness of employees about potential security issues and suspicious activities. New procedures have been implemented to better protect our guests and employees. While we do not believe LTD is a target, it is good to review programs, policies, and procedures periodically, especially around system security and preventive strategies.

Accident Record Improves

The 2001 accident statistics are complete through September. Overall, accidents have decreased significantly through the corresponding period last year. There have been 36 preventable accidents this year as compared with 49 last year. That is a 27 percent reduction in accidents that resulted from bus operator errors or judgments. This is the direct result of refresher training programs and a commitment by the Transit Operations staff, as well as the entire organization, to prioritizing safety in our guiding principles.

October Fleet Services Department Report

Attached for the Board's information is a monthly report describing activities in the Fleet Services (now Maintenance) Department during October.

LTD Human Resources Department

Report of Reorganization (downsizing)

Positions eliminated and/or revised November 12, 2001

#	Age	Race	Sex	Service Tenure	Group	Job Classification	Reorganized Department	Program	Action	Severance	Results
1	18	w	F	1.5	Admin	Receptionist	Administration	A-Team	Dismissed	\$ 1,452.12	Dismissed
2	43	w	F	14.25	Admin	Office Supervisor	Administration	A-Team	Dismissed	Not Applicable	New position - Administrative Office Manager
3	38	w	M	1.16	Admin	Information Services Technician	Finance & Technical Services	Info Services	Dismissed	\$ 2,056.01	Dismissed
4	42	w	M		Mngmt	Information Services Manager	Finance & Technical Services	Info Services	Dismissed	Not Applicable	new position - Information Service Program Manager
5	NA	NA	NA		Admin	Training Specialist	Human Resources	HR Training	Eliminated	Not Applicable	scheduled position 2002-03
6	39	w	M	1.16	Admin	Facilities Generalist	Maintenance Services	Facilities	Dismissed	\$ 1,919.91	Dismissed
7	41	w	M		Union	Inventory Technician	Maintenance Services	Inventory	Dismissed	Not Applicable	Dismissed
8	30	a	F		Union	Equipment Detail Technician	Maintenance Services	Bus Cleaning	Dismissed	Not Applicable	Dismissed
9	32	w	F	2.75	Admin	Marketing Representative	Planning and Development	Marketing	Dismissed	Not Applicable	New position - Marketing Technician
10	34	l	M	9.83	Admin	Service Planning Technician	Planning and Development	Service Planning	Dismissed	Not Applicable	Returning to Bus Operation
11	34	w	F	4.5	Admin	Distribution Assistant	Planning and Development	Marketing	Dismissed	\$ 1,601.77	Dismissed
12	38	w	M		Mngmt	Service Planning Manager	Planning and Development	Service Planning	Dismissed	Not Applicable	New position - SPAM Program Manager
13	45	w	F	11	Admin	TDM Associate	Planning and Development	TDM	Dismissed	\$ 5,108.95	Dismissed
14	45	h	F	26	Admin	Senior Marketing Representative	Planning and Development	Marketing	Dismissed	Not Applicable	new position - Marketing Representative
15	45	w	F	10.66	Admin	Graphics Supervisor	Planning and Development	Graphics	Dismissed	\$ 3,171.76	Dismissed
16	47	w	F	0.4	Admin	Administrative Secretary	Planning and Development	BRT	Dismissed	\$ 1,647.82	Dismissed
17	48	w	M	22.16	Mngmt	Marketing Manager	Planning and Development	Marketing	Dismissed	Not Applicable	Dismissed
18	48	w	M		Mngmt	Facilities Manager	Planning and Development	Facilities	Dismissed	Not Applicable	New position - Facilities Program Manager
19	22	w	M	2.08	Admin	Plannning Technician	Planning and Development	BRT	Reduced to Half Time	Not Applicable	Reduced to Half Time
20	50	w	M	10.83	Admin	Transit Supervisor	Transit Operations	Supervision	Dismissed	Not Applicable	Returning to Bus Operation
21	65	w	M	30.08	Admin	Operations Training Supervisor	Transit Operations	Operations Training	Reduced to Half Time	Not Applicable	Retirement Reduced to Half Time
Severance Total										\$ 16,958.34	
Demographic Outcomes of Dismissals and Reassignments											
	30.77% of all Managers were affected by this reorganization										
	20.00% of all Administrative Employees were affected by this reorganization										
	0.78% of all Maintenance Bargaining Unit employee were affected by this reorganization										
	0% of all Transit Operations Bargaining Unit employee were affected by this reorganization										
	37.06 Average Age of those Dismissed Employees (Including employees assuming new assignments)										
	43.46 Average Age of Affected Population										
	34 Median Age of Dismissed Employees (Including employees assuming new assignments)										
	46.5 Median Age of Affected Population										
	9 Females Affected										
	11 Males Affected										
	17 White Affected										
	1 Asian Affected										
	1 Hispanic Affected										
	1 Native American Affected										



Lane Transit District Human Resources Department

Description of Administrative Employee Employment Severance Package

Effective: November 9, 2001

Expires: December 3, 2001

Lane Transit District is undergoing challenging economic conditions. These conditions have resulted in the need for reorganization and downsizing of LTD administrative departments. Unfortunately, some employees will lose their positions at LTD in this reorganization. Others may lose their administrative positions and elect to return to bargaining unit positions. Employees who continue in any paid positions at LTD, or who return to a position in the bargaining unit, will not be eligible for any of the benefits described in this notice.

In response to this downsizing LTD has prepared the following severance package of pay and benefits for employees who are dismissed from employment with the District. These packages are designed for employees whose employment is terminated effective November 12, 2001 and signs a separation agreement with the District (attached).

Final Pay

On November 12, 2001, you will receive your final paycheck from Lane Transit District. It will include your pay for work performed through the end of business on November 12, 2001, your accrued Consolidated Annual Leave (CAL), and payment of your accumulated compensatory time (if applicable), less normal withholdings.

Severance Package

If you execute a severance agreement with the District your severance package will be paid to you after seven days after the District receives your signed Agreement. The amount of severance pay was calculated based upon the following schedule:

Years of Service	Weeks of Severance Pay
Zero to five years of service	Two weeks of pay (80 Hours)
Six to ten years of service	Three weeks of pay (120 Hours)
Eleven to fifteen years of service	Four weeks of pay (160 Hours)
Sixteen to twenty years of service	Five weeks pay (200 Hours)
Twenty-one plus years	Six weeks pay (240 Hours)

The amount of pay is based upon your current hourly rate of compensation. Severance pay will be made in a single check, paid seven days following receipt of your signed Agreement.

Benefits

If you execute a severance agreement with the District your severance package benefits will be continued in force from the date of dismissal to the dates indicated in the schedule below. The benefits for this severance package are as follows:

Type of Benefit	Provider	Severance Package Coverage
Medical Insurance	PacificSource	December 31, 2001
Dental Insurance	ODS	December 31, 2001
Vision Insurance	VSP	December 31, 2001
Life Insurance	States West	December 31, 2001
Long Term Disability Insurance	Regence	Discontinued November 30, 2001
Employee Assistance Program	Peace Health Access	June 30, 2002

Any benefits not included on the above schedule are terminated as of November 12, 2001. Employees will be eligible for continuation of medical benefits after December 31, 2001, by self-pay through COBRA. COBRA benefits will be explained in a COBRA notification to be distributed separately.

Outplacement Services

Lane Transit District is committed to providing assistance to employees displaced as a result of this reorganization. Affected employees will receive information from agencies that provide assistance to dislocated employees. In addition to these important resources, LTD will establish a series of outplacement services, including job and career search assistance, counseling, and limited placement assistance. You will receive further information about this help later today or by personal mail.

Other Issues of Importance

Personal Electronic Devices: Employees who have received personal electronic devices will have a reduction in their pay for the taxes for the device as called for in LTD Personnel Rule 581. If you have questions regarding this requirement, please contact the Human Resources Department or the Finance Department.

LTD Cell Phones: Please return your cell phone to your supervisor or department manager not later than Friday, November 9, 2001, at 5 p.m.

LTD Communications: Desk telephones should be set to "call forward all" (CFA) to your department's main number or 682-6100. Your access to LTD e-mail will end at 5 p.m. on November 9, 2001. An auto-response reply will be generated to senders indicating that you are not available at this e-mail. The auto-response replies will not reply to e-mail sent to your LTD address after December 31, 2001.

Bus Passes and LTD Property: Please return your and your dependent(s) bus passes by Monday, November 12, 2001, at noon. Turn the pass(es) in at Human Resources to Sue Latham. If you have other LTD property, please return it to your department head or to the administrative team where you checked it out. If you have keys to any LTD facilities or equipment, please turn them in to Sue Latham in the Human Resources Department by Monday, November 12, 2001 at noon.

Facility Security and Access: Dismissed employees' access to non-public areas of LTD buildings and facilities will be removed at the end of business on Friday, November 9, 2001.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: HUMAN RESOURCES DEPARTMENT REPORT ON RECENT LTD REORGANIZATION

PREPARED BY: David Dickman, Human Resources Manager

ACTION REQUESTED: None

BACKGROUND: On November 5, 2001, the general manager met with District employees and informed them that following a review of strategies for fiscal savings, he believed that there was no alternative but to initiate staff reductions. The worsening revenue picture for Lane Transit District and the deepening recession in Lane County necessitated these reductions-in-force. The general manager had conferred with members of the Board of Directors, who concurred with his intent to reorganize District departments and make staff reductions.

The general manager reduced the number of District departments from eleven to five. The restructured Leadership Council, collaboratively with the general manager and assistant general manager, determined the revised staffing plan for the administrative employees of the District. This resulted in 21 positions being affected.

Thirteen positions were eliminated and six positions were reduced in grade and offered to employees who were losing their respective higher-level positions. Two positions were reduced to less than full-time. Two of the employees whose positions were eliminated in the reduction were eligible to return to bargaining unit positions and have elected to do so.

Employees whose jobs were eliminated were offered a limited severance package of pay (based upon tenure of service), one month of additional medical insurance, and bus passes for the remainder of the fiscal year. In addition, the District has engaged the services of an outplacement firm to assist these employees in seeking and obtaining new employment.

ATTACHMENTS: None

PROPOSED MOTION: None

October 11, 2001

To: Metropolitan Policy Committee

From: Tom Schwetz

Subject: MPO Priorities for FY2004-2007 Statewide Transportation Improvement Program

Background

The Oregon Department of Transportation (ODOT) is in the process of developing the FY2004-2007 Statewide Transportation Improvement Program (STIP). ODOT is requesting that MPO provide a priority ranking of transportation projects in the Eugene-Springfield area to be included in the STIP. The FY2004-2007 STIP will include four years of construction projects. Only projects with identified funding sources and the ability to begin construction in that time frame will be included in the STIP.

MPC has agreed on a process for developing the MPO's STIP priorities in conjunction with the Lane County Board of Commissioners (Board). MPC will approve a set of priorities for Eugene/Springfield highway, transit and transportation demand management (TDM) projects. MPC's priorities will be forwarded to the Board where they will be blended into a countywide set of priorities. The Board is scheduled to blend the metro and rural project lists into a county-wide priority list on October 31st. A Lane County Commissioner will take the final countywide priority list to the Region 2 Statewide Transportation Improvement Program meeting tentatively set for early 2002.

FY04-07 STIP Schedule Issues

The FY04-07 STIP schedule developed by ODOT requires the prioritization of MPO priorities very early in the process. There are several issues associated with this schedule which make it difficult for MPC to finalize its priorities:

- The FY 02-05 STIP is not yet final (and not scheduled for final approval by OTC until January 2002),
- the HB2142 prioritizing process is not scheduled for completion until January of 2002 (which might affect how the MPO sets its priorities in the FY04-07 STIP),
- The county's Capital Partnership Program (which may include several of the projects on the county-wide STIP priority list) is not scheduled for finalization until Dec 12th, 2001 and

- the FY04-07 period will include a new federal transportation bill which could affect the level of resources available for the STIP.

MPC should be able to revisit its priorities again as the FY04-07 process continues. Staff is recommending that the priorities set by MPC at its meeting on October 11th be considered preliminary.

Developing Project Priorities

The Transportation Planning Committee (TPC) has developed a recommended set of MPO priorities for highway, transit and transportation demand management projects for approval by MPC. This process considered past ranking of projects, current needs and the recently developed HB 2142 priorities.

Highway Projects

The Transportation Planning Committee (TPC) recommendation for the metropolitan area's FY2004-2007 STIP priority requests for highway projects is attached. The list of 12 projects was analyzed by TPC staff for ranking in priority order by project size. TPC organized the projects into large, medium and small highway projects to provide more flexibility the negotiation of project selection at the Region 2 roundtable meeting. The attached table presents the staff recommend priorities for highway projects. Included in this table are the September MPC rankings for the HB2142 projects.

Transit Projects

Lane Transit District requests STIP funding for two projects that have regional significance and help implement state and local goals. Detailed project descriptions are provided below.

1. Springfield Transit Station Park and Ride (2004)- LTD is proceeding with the design and construction of a new transit station in downtown Springfield. As the western terminus for the first segment of Bus Rapid Transit, LTD would like to encourage use of BRT by constructing a Park and Ride facility at the new station. This facility would include 45 parking slots for bus patrons. Total project cost \$270,000.

2. "Breeze II", Downtown Eugene Bus Shuttle (2005) - LTD has just implemented a bus shuttle connecting the University of Oregon, downtown Eugene, Country Club Road, and the Valley River shopping complex. When the new federal courthouse is completed, there will be a need for a convenient and safe connection to the rest of downtown. These funds would be used to acquire smaller alternatively powered buses and build the stops and shelters for new service to the courthouse. Total project cost is \$1,800,000.

Transportation Demand Management Projects

The TDM project requests are included in Attachment 2. The requested amounts for FY04-07 reflect the estimated cost of implementing the TransPlan TDM policies calling for a more aggressive extension of the existing program. The current program level is approximately \$200,000. The requested increase is to approximately \$480,000.

Staff is currently working to make the program more specific with respect to project costs and focus, integrating the program more closely with the implementation of BRT and Nodal Development.

ACTION REQUESTED: Provide preliminary approval of MPO highway, transit and TDM priorities for forwarding to the Lane County Board of Commissioners for inclusion in the countywide set of priorities

ATTACHMENT 2
Transportation Demand Management Program

The Transportation Planning Committee (TPC) recommends an expanded Transportation Demand Management (TDM) program for the FY2004-2007 STIP years. The TDM program funded in previous STIP's is as follows:

FY1995	\$50,000
FY1996	\$56,000
FY1997	\$55,000
FY1998	\$56,000
FY1999	\$56,000
FY2000	\$287,000
FY2001	\$209,000
FY2002	\$198,000
FY2003	\$193,000
FY2004	\$111,000 (Draft FY2002-2005 STIP)
FY2005	\$111,000 (Draft FY2002-2005 STIP)

TPC recommends a TDM Program in the following amounts:

FY2004	\$487,500
FY2005	\$481,000
FY2006	\$478,000
FY2007	\$451,000

Transportation Demand Management (TDM) Project Proposals for 2004-2007

TDM Regional Coordinator

Funding of lead staff position for implementation of TDM programs and projects including business outreach; local; state; and regional coordination of efforts; education; training; information and referral; marketing and public relations; and grant and project management. Coordination of STIP funding requests for TDM and local jurisdictional issues relating to transportation management strategies and plans.

TDM Rideshare Program Coordinator

Manage carpool/rideshare program, including database management, research, and outreach. Also assist in maintenance of existing employer transportation programs and promotion of new programs. Program evaluation and monitoring, and coordination with jurisdictions on performance measures and reporting procedures. Manage bike facilities projects.

Education & Awareness

Includes general public education and awareness and targeted campaigns using public service, paid television, radio, and print, and supporting public relations/news events. Includes participation in and use of Partners for Smart Commuting campaigns, and a

summer clean air awareness campaign. Provides exposure to and awareness of the benefits of using alternative modes, which will, when combined with other actions, result in increases in alternative mode use. Targeted effort to establishing first group pass program east of I-5 corridor. Budget includes research to measure effectiveness of campaigns and programs. Balance of budget allocated to production expenses, media placement, and funding of collateral materials.

Administrative Assistant

Responsible for correspondence, special event coordination, records management, budget monitoring, meeting coordination, responding to requests from employers, and general inquiries. Includes management of ETC Resource Guides and business inventory databases, and conference/training coordination.

Transportation Management Associations Program

Design guidelines for, and implementation of, incentive programs to establish Transportation Management Association/Organizations programs in uppermost-congested areas: Coburg Industrial Area, Gateway Area, Downtown Eugene, and UO/Sacred Heart/Riverfront Research Park targeted sites. Includes \$20,000 for program assistance and coordination through Commuter Solutions. This would be a joint public/private sector program.

Youth & Parent School Programs/Activities/Special Events

Creation and coordination of a youth/school related transportation task force (with representatives from 4J, Springfield and Bethel school districts; Lane ESD; City of Eugene Library and Recreation Services; Willamalane Recreation District; KidSports; Commuter Solutions/Lane Transit District; and staff from transportation departments of local jurisdictions) to address TDM policies and programs that result in reduced vehicle trips to schools and youth activities, parking policies, and the establishment of school-based curriculum programs.

Vanpool Research

Conduct feasibility studies in Coburg, Gateway, Junction City, Oakridge, and one to be announced, to determine demand and cost estimates for vanpool services. Set up a subsidy program to provide vanpool subsidies and other incentives in order to encourage increased use of vanpools. Research to measure use and effectiveness of each vanpool.

Carpool/Vanpool Program

Purchasing carpool signs for use by businesses starting carpool/vanpool programs. Conduct carpool campaigns at targeted employer sites. Combining carpool/vanpool campaigns with incentives (carpool signs) would result in additional carpools being formed, reductions in vehicle miles traveled and single occupant vehicles.

Information Centers

Design and produce mobile information centers at major hubs to increase visibility of transportation options available and to reinforce the benefits of using alternative modes.

Transportation Options Symposiums

Conduct and sponsor educational seminars targeted to local transportation planning staff, planning commission members, public officials, and other interested individuals and groups. The first symposium would focus on parking management strategies. This venue would offer opportunities for staff, officials, and the public to discuss action plans for fulfilling local, state, and federal transportation goals.



Lane Transit District
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MONTHLY PERFORMANCE GROUP REPORTS

November 19, 2001

GENERAL MANAGEMENT GROUP

Ken Hamm, General Manager
Linda Lynch, Government Relations Manager
Mark Pangborn, Assistant General Manager
Terry Parker, Special Transportation Program Administrator
Jo Sullivan, Executive Assistant

IN CONGRESS

IN SALEM

DEVELOPMENT SERVICES GROUP

Ed Bergeron, Marketing Manager
Charlie Simmons, Facilities Services Manager
Stefano Viggiano, Planning & Development Manager
Andy Vobora, Service Planning Manager

TRANSPORTATION SERVICES GROUP

Ron Berkshire, Fleet Services Manager

Mark Johnson, Transit Operations Manager

Rick Bailor, Eugene Station Administrator

UO FOOTBALL AND BASKETBALL SERVICE IN FULL SWING

The Transit Operations team has put a significant amount of effort in to special services the past month. Football service has been improving with each game and basketball service is overlapping. Operations folks have been putting in extra effort to ensure that the service is the quality that our guests expect. Time changes in games and other last minute changes provide additional challenges for staff but they have been able to overcome the obstacles and provide great service to our guests.

HIEGHTENED SECURITY AWARENESS

Because of recent events, the Transit Operations Security staff has taken the opportunity to evaluate our policies and procedures around security and make some adjustments. We have raised the awareness off operators and other field staff of potential security issues and suspicious activities. We have also instituted some new procedures to better protect our guests and employees. We do not believe that LTD is in any way a target but took the opportunity as a preventative measure to improve system safety.

OVERALL ACCIDENT RECORD CONTINUES TO IMPROVE

The 2001 accident statistics are complete through September and overall accidents are down significantly over last year. We have had 91 total reported accidents this year as compared to 115 for the same period last year. Preventable accidents are also down significantly. We have had 36 accidents that were determined to be preventable this year compared to 49 for the same period last year. Our training staff, supervision and bus operators all play a hand in ensuring that we have the safest system possible and their effort is resulting in less accidents.

ADMINISTRATIVE SERVICES GROUP

David Dickman, Human Resources Manager

Diane Hellekson, Finance Manager

Steve Parrott, Information Services Manager

There is no Administrative Services Group report this month.

Q:\Reference\Board Packet\2001\11\Special Mtg\perf group report Nov 2001.doc (jhs)

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: MONTHLY PERFORMANCE REPORTS

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

BACKGROUND: In response to a request by the Board for regular reporting on the District's performance in several areas, monthly performance reports are included in the Board agenda packets. The September and October 2001 Performance Reports are attached.

Staff will be available at the November 19 meeting to answer any questions the Board may have about this information.

ATTACHMENTS: September and October 2001 Performance Reports

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: BRT: SPRINGFIELD CORRIDOR SELECTION

PREPARED BY: Stefano Viggiano, Planning and Development Manager

ACTION REQUESTED: Select the Next BRT corridor to be developed in Springfield

BACKGROUND: Staff have been investigating possible extensions of the BRT system at both the east and west ends of the Phase 1 corridor. On the Springfield side, staff have completed the research and recommend that the Pioneer Parkway corridor be selected as the next extension from the east end of the Phase 1 corridor.

Attached is information from the BRT Steering Committee packet of September 4, 2001, which provides information on the two corridor options evaluated in Springfield. The Steering Committee endorsed the selection of the Pioneer Parkway corridor. The Springfield City Council unanimously recommended approval of this corridor on November 5, 2001. The Board of County Commissioners also may take action on the corridor selection, though no meeting has been scheduled as yet.

ATTACHMENT: A memorandum and supporting material from the September 4, 2001, BRT Steering Committee regarding the Springfield corridor selection

PROPOSED MOTION: I move the following resolution:

LTD Resolution No. 2001-041: Resolved, that the LTD Board of Directors selects the Pioneer Parkway corridor as the next bus rapid transit corridor to be developed in Springfield.

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: APPOINTMENT TO BRT STEERING COMMITTEE AND BOARD BRT COMMITTEE

PREPARED BY: Stefano Viggiano, Planning and Development Manager

ACTION REQUESTED: That the Board President name a replacement for Rob Bennett to the BRT Steering Committee and to the Board BRT Committee

BACKGROUND: The BRT Steering Committee includes three representatives from the LTD Board. The current representatives are Rob Bennett, Pat Hocken, and Hillary Wylie. These three Board members also constitute the Board BRT Committee. Rob Bennett's term on the Board will expire in January 2002. The Board President is requested to appoint a replacement for Mr. Bennett on the Steering Committee and the Board BRT Committee.

Mr. Bennett currently is the chair of the BRT Steering Committee, having been appointed to that position by the Board President. The Board may wish to discuss whether it is appropriate for the Board President to designate a new Steering Committee chair from among the Board member representatives, or whether the committee should be asked to elect a chair.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: November 19, 2001

ITEM TITLE: 2004-2007 STIP PRIORITY SETTING

PREPARED BY: Lisa Gardner, Capital Grants Administrator

ACTION REQUESTED: Approval of 2004-2007 STIP Transit/TDM Priority List

BACKGROUND: Every two years, the Oregon Department of Transportation (ODOT) updates the Statewide Transportation Improvement Program (STIP). The STIP document programs the expenditure of state and federal transportation funds in Oregon. The State has begun the process to develop the 2004-2007 STIP, and has solicited prioritized project lists from the Eugene-Springfield area. The Metropolitan Policy Committee (MPC) considered preliminary project priorities for highway, transit, and transportation demand management (TDM). MPC will revisit the priorities as the STIP development process continues. LTD also will have an opportunity to revisit the priorities prior to MPC action on the STIP list.

ATTACHMENT:

1. MPC 2004-2007 STIP Priority Memo
2. TDM Priority Project List
3. Transportation Planning Committee (TPC) Recommendations for Highway Project Funding

PROPOSED MOTION: I move the following resolution:

LTD Resolution No. 2001-042: It is hereby resolved that the LTD Board of Directors recommends to the Metropolitan Policy Committee the proposed project priority list for inclusion in the 2004-2007 Statewide Transportation Improvement Program.

Transportation Planning Committee Recommendations for FY2004-2007 STIP Highway Project Funding

Project Size	Project	Project Limits	Project Description	Project Cost	FY04-07 TPC Recommendation	HB2142 Metro Ranking	Comments
Large	Interstate 5	Interchange at Beltline, Beltline E	Phase 1, Construct NB flyover,Signal NB ramp terminal, R/W, Utilities	\$35,000	1	1	
	Beltline Highway	RR bridge,s/o Roosevelt to W11th	W11th-NCL Stage 3	\$17,000	2	2	
	Beltline Highway	River Road to Delta	Widen to 6 lanes	\$13,390	3	--	
Medium	South 42nd Street	McKenzie Hwy to Jasper Road	Curb and gutter, sidewalks, bike lanes, street trees	\$2,500	1	--	ODOT has interest in jurisdictional transfer as part of this project.
	Beltline	Interchange at Coburg Rd.	Construct ramp/signal improvements	\$1,500	2	4	
	Highway 126/W11th	Terry-Greenhill	Four lane urban standards	\$5,500	3	7	
	Interstate 105	South of River to 6th Ave	Add lane to 6th Ave off-ramp	\$4,430	4	6	
	6th/7th Intersections	Garfield to Washington/Jefferson	Provide improvements such as turn lanes and signal improvements	\$1,500	5	5	
	Jasper Road	S 42nd-Jasper Road Extension	Upgrade to 2 or 3 lane urban facility. Intersection improvement at 42nd	\$5,250	6	8	ODOT has interest in jurisdictional transfer as part of this project.
	Pioneer Parkway Ext	Harlow to Beltline/Deadmond Ferry	Extension of four lane minor arterial, with north link connection	\$3,300	--	3	Seeking Lane County CaPP application. Not ranked for FY04-07 STIP.
Small	Highway 126/Mohawk	Interchange ramp	Add lanes to western ramps	\$250	--	--	Project completed.
	Highway 126/42nd Street	Interchange	Signal at WB onramp, lanes	\$250	--	--	Seeking Lane County CaPP application. Not ranked for FY04-07 STIP. ODOT operations project.