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LANE TRANSIT DISTRICT REGULAR BOARD MEETING

Wednesday, December 18, 2002
5:30 p.m.

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

A G E N D A

Page No.

I. CALL TO ORDER

II. ROLL CALL

Hocken _____ Kleger _____ Lauritsen _____ Melnick _____
Wylie _____ Ban _____ Gaydos _____

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

- | | |
|---|----|
| III. PRELIMINARY REMARKS BY BOARD PRESIDENT | |
| IV. ANNOUNCEMENTS AND ADDITIONS TO AGENDA | 05 |
| V. WORK SESSION | |
| A. Federal New Starts Funding (45 minutes) | 06 |
| B. Presentation of Comprehensive Annual Financial Report (15 minutes) | 09 |

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| VIII. AUDIENCE PARTICIPATION | |
| ◆ Each speaker is limited to three (3) minutes. | |

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| 2. | Minutes of November 20, 2002, Canceled Board Meeting (Pg 31) | |
| 3. | Minutes of December 6, 2002, Special Board Meeting (Page 32) | |
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| 2. | Opening of Public Hearing by Board President | |
| 3. | Public Testimony | |
| 4. | Closing of Public Hearing | |
| 5. | Board Deliberation and Decision | |
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X. ITEMS FOR INFORMATION AT THIS MEETING

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| (a) | Metropolitan Policy Committee – December 12 meeting | |
| (b) | BRT Steering Committee and Board BRT Committee – November 5 meeting (December 3 meeting canceled) | |
| (c) | Springfield Station Design Review Committee – October 22 meeting | |
| (d) | Coburg Road Stakeholder Group – November 13 meeting | |

	(e) BRT Naming Committee – October 31 meeting	
	(f) Board Finance Committee – October 30 meeting	
	(g) Region 2050 Policy Advisory Committee – November 14 meeting	
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F.	Springfield Station Design and Budget	
G.	Accessible Services Report	
H.	Commuter Solutions Report	
I.	Springfield Station Art Selection	

J. BRT and Springfield Station Updates

XII. 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).

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Lane Transit District
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2002

EXECUTIVE SUMMARY

Prepared by Diane Hellekson,
Director of Finance and Information Technology
December 18, 2002

The Comprehensive Annual Financial Report for the most recently completed fiscal year was distributed to the Board of Directors prior to the November 20 LTD Board meeting, which was then canceled for lack of a quorum. At the December 18 meeting, 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 2.4 percent compared with 1.5 percent in the previous fiscal year, but still well below the 4.7 percent increase in FY 1999-2000. Passenger fare revenue finished the year more than \$9,400 below budget, a major improvement over the \$115,000 shortfall recorded in FY 2000-2001.
- **Employer payroll tax revenue** fell 1.8 percent compared with growth of 1.2 and 5.7 percent in the previous two fiscal years, an indication of economic weakness in the local area that also was a problem statewide and in most geographic areas of the country. Receipts were \$409,000 below annual budget.
- **Self-employment tax revenue** increased 4.3 percent versus the previous year. Receipts exceeded annual budget by \$25,000.
- **State-in-lieu revenue** increased 9.2 percent compared with a 4.5 percent decrease last year. Revenue exceeded budget by \$138,000 due to the strength of the University of Oregon's enrollment, which in turn resulted in stable and enhanced staff payrolls. The weak economy attracted more students to state colleges and universities.

Total Operating Fund revenue decreased 2.9 percent.

Operating Fund Expense:

- **Personnel services** increased 5 percent. The slowing of growth in this expense category was the result of staff reductions implemented in November 2001 (ten administrative positions and two maintenance positions) and service reductions in June 2002, in preparation for which operator positions vacated by attrition and retirement were left unfilled through Spring 2002.
- **Materials and services** decreased more than 17 percent, primarily due to the reduction in and stabilization of fuel costs. In addition, discretionary expenses such as advertising and travel were curtailed in order to protect fixed route service as much as possible, given the downturn in payroll tax receipts.
- **Insurance/risk** increased almost 21 percent, the second consecutive major annual increase. The increase was 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 2.7 percent. Total expense less depreciation increased .3 percent, essentially remaining flat versus the previous year. Although a long-range financial plan goal of balancing General Fund expenses to revenues was not met, working capital carried forward from previous years was more than adequate to fill the gap. Expenditure reduction and control measures implemented in FY 2001-02 were very effective in slowing expenditure growth to more closely match revenue.

Farebox Recovery:

Ratios were as follows for the last ten fiscal years:

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
2000-02	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 2001-02 ratio held steady due to effective expenditure reductions and controls after an accurate estimate of expected revenue in support of fixed-route operations.

System Productivity:

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

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
2000-02	18.904

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. To date, the CSR has not resulted in an overall productivity increase. Service reductions implemented in June and September 2002, along with a significant increase in pass and token fare instruments, will impact ridership and productivity and make the effects of the CSR difficult to isolate.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: WORK SESSION: PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 2001-2002

PREPARED BY: Diane Hellekson, Director of Finance & Information Technology

ACTION REQUESTED: None

BACKGROUND: The Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2002, 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 December 18 meeting to discuss the audit results. An overview of Lane Transit District's financial position at June 30, 2002, will be presented by staff at the December 18 Board meeting.

Board acceptance of the independent audit report for the fiscal year ending June 30, 2002, is scheduled during the Items for Action portion of this meeting.

ATTACHMENT:

1. Comprehensive Annual Financial Report for the Year Ended June 30, 2002 (included separately for Board members)
2. CAFR Executive Summary

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

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DATE OF MEETING: December 18, 2002

ITEM TITLE: NOVEMBER FINANCIAL STATEMENTS

PREPARED BY: Diane Hellekson, Director of Finance & Information Technology

ACTION REQUESTED: None

BACKGROUND: Financial results for the first five months of the FY 2002-03 fiscal year are summarized in the attached November reports.

Passenger fares improved slightly for the second consecutive month and are ahead of prior year by 4.5 percent. Four-month results are below budget by more than \$78,000, which is a \$20,000 improvement over the budget deficit recorded as of October 31. Ridership is down 3.5 percent for the most recent twelve months, a further erosion of the negative 2.4 percent reported for October.

Group pass receipts are as expected year to date. Advertising is also as expected for the first five months. Both of these resources are expected to meet budget expectations for the year.

Special service revenue is significantly ahead of plan due to under budgeting. The majority of funds in this category come from the University of Oregon home football shuttle service contract. This line item will finish the fiscal year approximately \$200,000 better than projected by the budget.

As previously reported, payroll tax revenue had an unanticipated loss in October/November due to a refund granted to a local taxpayer for taxes paid in the three previous years, which have been determined were not owed. The total amount of the refund is \$538,731.78, and it was paid on November 1 from tax receipts collected in the current fiscal year. In addition, LTD can potentially expect to lose more than \$175,000 in current-year and future annual receipts. The tax revenue reduction for FY 2002-03 may exceed \$700,000. An additional \$48,300 from receipts already paid to LTD will be withheld by the Oregon Department of Revenue (ODOR) in December due to a different taxpayer error.

Payroll tax revenue now lags last year by 2.3 percent, and current-year budget by \$193,000. However, November receipts significantly improved the negative budget variance reported for October. It is unclear why the improvement occurred. At this time last year, ODOR notified LTD that

over \$1,000,000 of other properties' tax receipts had been given to LTD in error and had to be returned. No similar error has yet been reported this year, but staff are cautious about assuming disbursement accuracy until further investigation.

Personnel services expense growth continues to be negative, emphasizing the effectiveness of the September service reductions in controlling costs. Several departments that were behind in reporting staff hours exclusively assigned to capital projects caught up in November, which is why the "administration funded by capital" line is now greater than last year. As discussed at the recent Board strategic planning work session, staff working on capital projects will charge direct hours to those projects, which will shift expense from operations to capital. In addition, staff will develop an overhead charge rate.

The fuel price for the current fiscal year was budgeted at \$.91 per gallon. Actual price per gallon as of the end of November was \$.82, which helped reduce materials and services, and was the major contributor to a positive budget variance in this expense category year to date. In accordance with a materials and services expense reduction plan that will attempt to balance the General Fund with a minimal effect on net service over the next two years, all nonessential expenses in this category will be reduced or eliminated.

In summary, the General Fund is on plan for the five months of the current fiscal year due to a special services revenue offset of payroll tax receipts and effective expenditure control. It is unlikely that the full payroll tax shortfall projected for this year will be entirely offset by year-end. However, since LTD appropriates its beginning cash balance in the General Fund to budget for reserves, it will be possible to absorb the shortfall in the current year. There is a possibility that the payroll tax loss is temporary. The Board will be informed as the recovery effort proceeds. If there are permanent negative consequences, they will be prospective and will require a change in the Long-Range Financial Plan (LRFP). Ridership will continue to be monitored carefully as another source of concern at the present time.

Special Transportation Fund expenses are as anticipated through November. Capital Fund activity also was as expected. Project reports will be provided to the Board separately. There is an ongoing concern about funding for capital projects that was discussed by the Board at its recent work session. Strategic discussions will continue at evening work sessions in the coming months.

The Comprehensive Annual Financial Report (CAFR), including auditors' statements, was distributed with the November meeting materials. A revised copy will be distributed at the December meeting. A

representative of the audit firm Grove, Mueller & Swank will attend the December meeting to present audit findings and answer any questions that Board members may have.

The Finance Committee met on October 30 to discuss replacement vehicle debt next steps, capital financing, and other issues. Committee members can report on the meeting discussion as part of the meeting report agenda item. The Committee will meet again on January 30 to approve a budget development calendar, review preliminary LRFP revisions, Capital Improvements Program revisions, fares, and major project budget components.

ATTACHMENTS:

Attached are the following financial reports for November for Board review:

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

PROPOSED MOTION:

None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, October 16, 2002

Pursuant to notice given to *The Register-Guard* for publication on October 10, 2002, 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, October 16, 2002, beginning at 5:30 p.m., in the LTD Board room at 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President, presiding
Gerry Gaydos, Vice President
Patricia Hocken, Secretary
Virginia Lauritsen, Treasurer
Susan Ban
Dave Kleger
Ken Hamm, General Manager
Susan Hekimoglu, Recording Secretary

Absent: Robert Melnick

CALL TO ORDER: The meeting was called to order at 5:34 p.m. by Board President Hillary Wylie.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Under the *Items for Action* portion of the agenda, Ms. Wylie added Item C, *Community Activities in Which the Board is Involved*.

WORK SESSION

Executive Session: District Counsel Roger Saydack and Rohn Roberts of the law firm of Arnold Gallagher Saydack Percell Roberts and Potter were present to consult with the Board. Ms. Lauritsen moved that the Board meet in executive session pursuant to ORS 192.660(1)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed, and pursuant to ORS 40.225, lawyer-client privilege, to hear an opinion of counsel. Ms. Ban seconded the motion, and the Board unanimously entered executive session at 5:40 p.m. Upon a motion by Ms. Lauritsen and seconded by Ms. Ban, the Board unanimously returned to open session at 6:05 p.m.

MOTION

VOTE

MOTION

VOTE

PRESENTATION – NEW STARTS REPORTING REQUIREMENTS: Government Relations Manager Linda Lynch and Senior Strategic Planner Lisa Gardner were present to discuss the New Starts federal funding program. Ms. Gardner introduced Leon Skiles of

Leon Skiles & Associates, Inc., an environmental consulting firm. She said that Mr. Skiles had previous experience with the federal New Starts program and was present to discuss his experience and answer questions.

Ms. Gardner said that the New Starts program was a different funding source that could be an option for future bus rapid transit (BRT) funding. Staff had been aggressively investigating the New Starts category of federal 5309 funding. Ms. Lynch began the presentation with an overview of the program and explained why LTD might be interested in pursuing New Starts funding. She said there were three transit capital investment categories: New Starts, Fixed Guideway/ Modernization, and Bus and Bus Facilities.

The New Starts category included a Fiscal Year 2003 minimum of \$1.2 billion in the Transportation Equity Act for the 21st Century (TEA-21) funding. New Starts funding could be used for rail, light rail, streetcar, and other fixed guideway projects. The Fixed Guideway/Modernization category included \$1.2 billion in funding for needed capital improvements to maintain existing rail and light-rail lines. The Bus and Bus Facilities category included \$0.6 billion in funding for stations and bus purchases.

Ms. Lynch said that New Starts involved a detailed process that would require authorization in the next surface transportation authorizing bill. The Federal Transit Administration (FTA) acts as a partner in the project, and it is possible to obtain a multi-year grant agreement. The drawbacks of the New Starts funding source included more FTA oversight and associated time delays. There currently was a large backlog of projects. Also, it would be more difficult to change or amend the project.

New Starts project justification criteria included approval for Preliminary Engineering (PE) and Final Design, ratings in the Annual New Starts Report to Congress, an annual New Starts appropriation budget, and approval of Full Funding Grant Agreements (FFGA).

Ms. Wylie added that should LTD get a New Starts grant, it would enter into a full-funding grant agreement, which would fund the entire BRT build-out, including vehicles. Ms. Gardner clarified that LTD could apply for a FFGA for each project or corridor, but not the full build-out of BRT. The FTA preferred that projects be broken down into minimum operating segments. Ms. Gardner said that Mr. Skiles would be discussing the specifics of applying for New Starts funding, and the Board would learn more about why it would be onerous to attempt full-system funding at one time.

Mr. Skiles said that he had been employed as a planner at LTD for six years during the 1980s. He also said that he was very familiar with the New Starts program. He had managed the Hillsboro extension of the Westside project for Tri-Met and the South/North light-rail projects for Seattle Metro. He currently was working as a sub-consultant on the Washington County Commuter Rail project that began as an exempt project and had since become a non-exempt project. He had been responsible for preparing the New Starts report for that project. He displayed a New Starts report that he had prepared and noted that the report was small in size, but the supporting land use documentation was very large. The report was an important task that needed much care and attention.

The purpose of the New Starts reporting primarily was to inform the FTA and Congress thoroughly about the project so they then could make good decisions about the discretionary funding. Those decisions were both technical and political in nature. The report was used first to determine if the non-exempt projects were capable of moving through the project development process. It also informed the FTA about how much money to put into the President's budget. The report allowed Congress to decide whether or not to appropriate money for the project and was meant to help both the FTA and Congress fairly compare projects across the country. It also was used to help determine whether or not to sign an FFGA.

The report would be submitted at a critical point, typically when approval was sought to advance into the preliminary engineering stage. The report then would be updated annually and as needed at project milestones. Mr. Skiles referred to the project development chart on page 49 of the agenda packet. He said that as the process moved forward toward completion, the requirements became more stringent. It was fairly easy to get into the preliminary engineering stage, more difficult to get to final design, and, finally, even more difficult to get to an FFGA. The thoroughness and accuracy of the report was a big factor in moving through the New Starts process.

Mr. Skiles noted that a very important part of the process was good project management oversight. It was not a part of the New Starts reporting process, but was a critical part of achieving funding out of New Starts. Having a consultant review everything that was done during the engineering and final design stage would provide quality control, technical oversight, and assessments of technical and financial capability of the project. The project management oversight consultant would issue spot reports that would be included in the New Starts report. Mr. Hamm added that the project management oversight technically was the FTA watchdog of the project. The FTA required the project management oversight process (PMOC).

Ms. Hocken asked if all the corridors needed to be at the same level of development at the same time in the New Starts process. Mr. Skiles said that the FTA would not enter into an FFGA until the final design process was at least 60 percent completed to the point that final specifications could begin being drawn for the bid process for each minimum operating segment or project. Ms. Hocken then asked if the stages of development for each corridor needed to be done simultaneously. Mr. Skiles said that was not necessarily correct, and, in fact, the FFGA could include amendments to accommodate additional corridors if they were being planned at or near the same time. Setting up an amendment in the FFGA would prevent the need to get back in line for funding. For instance, if the Coburg Road and Pioneer Parkway corridors were being planned at the same time under one FFGA, the loop at the end of those corridors that would connect them could be amended into the FFGA.

Finance and Information Technology Director Diane Hellekson clarified that the FFGA locked the project into a certain amount, probably not more than 50 percent of the projected cost, and if the project took several years to complete, which most projects did, most likely the costs would increase. If the costs increased, the FFGA amount would not increase, so the burden would be on the local match. There was a risk there because the

projects were big and took long to complete. The odds of cost increases over time were fairly high, which could mean that in the end, the federal portion of the project actually would be less than 50 percent of the project.

Due to time constraints, the New Starts presentation was suspended until later in the evening during the regular session.

REGULAR SESSION: Ms. Wylie called the regular session to order at 6:39 p.m.

NOVEMBER 2002 EMPLOYEE OF THE MONTH: Senior Human Resources Analyst Joyce Ziemiak was present to introduce the November 2002 Employee of the Month, Human Resources Technician Stephen Rayack. Ms. Ziemiak said that Mr. Rayack had been employed with the District for more than 18 years. He had worked as a bus operator for 16 years, and in July 2000 transferred to his current position. She noted that Mr. Rayack always had been great with customer service. He worked on many liability issues, which was not always easy for customer service-oriented people, but Mr. Rayack handled that part of his job well as a good listener and by ensuring that people felt taken care of, while at the same time protecting the District. She added that Mr. Rayack was well suited for HR work, and she was glad to have him as a co-worker and pleased that he had been selected as the Employee of the Month.

Ms. Wylie congratulated Mr. Rayack and presented him with a lapel pin, a certificate of appreciation, a letter of congratulations, and a monetary award.

Mr. Rayack said that he had worked at LTD for a long time, though not as long as many of his co-workers. He said that he always was amazed at how few people actually left the District's employ once they were on board. It was a good place to work. The other thing that he said had impressed him over the years was that from top to bottom and from side to side, people who worked at LTD tended to care very deeply about the work that they performed and they had a great passion about the product that was put out on the street. And though they frequently disagreed, which was the fun part of all that passion, he hoped that LTD always kept its vision on putting the best product out on the street for the broadest number of people, because that was what made it worthwhile.

Mr. Hamm added that Mr. Rayack's nomination came from a number of areas within the organization and not only from his co-workers in the Human Resources department. Employees generally said that when Mr. Rayack had transferred into HR, he had become a bright spot in the organization who paid particular attention to the needs of the people. When there was a cross-section of people who were applauding someone, it was a neat recognition. Mr. Hamm congratulated Mr. Rayack.

AUDIENCE PARTICIPATION: Ms. Wylie asked if anyone in the audience wished to address the Board. There were none, and she closed the audience participation portion of the meeting.

NEW STARTS PRESENTATION, CONTINUED: Mr. Skiles continued his presentation by discussing the rating process for New Starts applications. He said that the FTA gave projects an overall rating, a project justification rating, and a financial justification rating. The three overall ratings were *highly recommended*, *recommended*, or *not recommended*. Those ratings were based on the criteria for project justification and financial justification ratings. The project justification ratings were based on mobility improvements, environmental benefits, operating efficiencies, cost effectiveness, land use, and other criteria. The financial justification rating was based on the availability of local share, a capital finance plan, and an operating finance plan.

Mr. Hamm asked if there was a way to internally rate the project in order to determine that it was a financially viable project prior to submitting it to the FTA. Mr. Skiles said that it was an equation of the annualized capital costs divided by the annualized projection of increased ridership. That equation would indicate cost effectiveness. The transportation user benefit ratio was more difficult to measure but typically came to about the same dollar amount. The financial justification was very critical because of the local share. The lower the federal share, the less onerous the New Starts federal process would be. FTA wanted to spread the money out to as many properties as possible, so projects that had more local share could be favored. The FTA also believed that local funds would be spent more wisely than would federal funds. Mr. Hamm asked if the FTA would be looking at the size of the project as well. Mr. Skiles said that to some degree, it would. The FTA also would carefully consider the ability of the property to operate the capital project once it was built.

Mr. Skiles then discussed the difference between projects that received non-exempt and exempt status. If a project asked for less than \$25 million in federal funds, it automatically would be given an exempt status. Congress also could designate a project to be exempt. Such projects would be exempted from submitting the project justification report, being rated by the FTA for preliminary engineering and final design, and from having to have a FFGA to receive New Starts funds. However, exempt projects were not exempted from having to provide the financial criteria and providing spot reports demonstrating technical and financial capability. If a FFGA was desired, even though the project was designated as exempt, a New Starts report would need to be submitted in order for the project to be rated for a FFGA. All other regulations would apply.

Mr. Hamm said that it would be interesting to see how the New Starts proposals would shape re-authorization language, because one of the areas that had been discussed at great length at the national level was the streamlining of the requirements in the process for the small, under \$25 million, New Starts projects. Mr. Skiles said that in the annual budget request, the FTA explicitly stated in the regulations that they would find it difficult to support exempt projects in the annual budget process that if a New Starts Report was not submitted and the project had not received a rating. It was important to submit the New Starts report regardless of the exempt or non-exempt status.

In conclusion, Mr. Skiles said that the quality of the New Starts Report was the key to successful funding. An important consideration was future flexibility in funding, or how much effort to expend to get that flexibility in the future to become a New Starts project, and

how much flexibility was needed for funding. For instance, a project could begin at less than \$25 million federal funds, but over the life of the project, costs most likely would increase, putting the project at more than \$25 million, which would change the status of the project if additional federal funds were used to meet the cost increase, and the flexibility in funding would be important. Then, there was the consideration of the trade-offs in timing of submitting a New Starts report. The earlier it was submitted, at the preliminary engineering stage, for example, the easier and least costly it would be to do, but the latest opportunity would be at the FFGA stage, but by then it would be more disruptive.

Ms. Wylie asked if there was another property in the BRT consortium group that had received New Starts funds. Ms. Gardner said that the Miami, Florida, BRT project had successfully applied for New Starts funds and was the first BRT project to negotiate a FFGA. Development Services Director Stefano Viggiano added that Pittsburgh, Pennsylvania, had used New Starts funding for its busway.

Ms. Lynch said that the decision needed to be made about how to proceed. She did not think it would be a good idea to ask to be authorized as a New Starts project in legislation unless the Board was certain that it was going to pursue the New Starts funding. LTD could choose whether or not to be authorized in the Bus category, but would face the same timing issues it faced with the Phase 1 funding. LTD could work on how to simplify the process, and try to get it into legislation, but there was no guarantee that it would be successful in time for the next BRT corridor funding requests. Ms. Lynch said that she had discussed simplifying the New Starts process with FTA staff, but the idea was not well received. Since the inception of the New Starts program, the rules and regulations had evolved and, unfortunately, the process had become more elaborate rather than more simplified.

Ms. Gardner added that if staff attempted to propose and draft simplified language for a more simplified process, LTD's success in building a BRT project (Phase 1) with Bus Category funding could be highlighted. It would demonstrate how a simplified New Starts or Small Starts process could be more successful in delivering better projects for less money or overhead.

Ms. Lauritsen asked what staff expected from the Board at this time. Ms. Lynch said that staff were not asking for direction at this time, but rather wanted to provide some assurance to the Board that staff were investigating the New Starts program and what it would entail for the BRT project. Ms. Gardner added that there was a 10-page version of the New Starts funding staff report available upon request. Ms. Hocken requested a copy of the full report.

Ms. Hocken asked staff to provide information about the cost associated with additional staffing or consultants to work through the New Starts process. She also thought that it would be helpful to know if LTD's BRT project was at all in the ballpark of what the FTA would be looking for in cost benefit. Mr. Skiles thought that the first phase of work would reveal a lot about the project without a lot of work. The future ridership modeling or forecasting would need to be fully understood and given much attention to ensure that it

worked as accurately as possible. Mr. Skiles added that production of the New Starts report with the land use attachments would cost approximately \$25,000 to \$30,000.

Ms. Ban asked how much of that would be done in any case as diligent planning. Mr. Skiles said that the production of the report was not where the bulk of the money would be spent, but in project oversight to ensure the accuracy of the report.

Ms. Gardner added that another part of the cost came after the FTA began auditing the project. The FTA might recommend additional staffing or something else that might come with an additional cost in order to meet the financial capacity test and the operating requirements. Mr. Hamm said that was just an example, and the audit could result in no additional costs as well. During the planning stage, costs would be incurred, both in staffing and in consultants, which became part of the local match. Staff would continue to analyze whether or not the New Starts program would make sense for the BRT project.

Ms. Wylie said that the Board and staff had worked hard to get the concept of BRT approved and forwarded, and she looked forward to the decision about how it would be funded. She thought every avenue needed to be explored and evaluated as to what might be the most successful. She thanked staff and Mr. Skiles for the presentation.

Ms. Hocken asked when staff would be providing another progress report that included potential costs and what the impacts at the Congressional level might be following the November election. Ms. Lynch said that a decision would need to be made within the next few months so that in January 2003, Congressman DeFazio could be informed about where LTD wanted to be in terms of funding possibilities. Ms. Gardner added that staff would determine through the alternative analysis which requirements would need to be met regardless of what funding source was selected.

MOTION CONSENT CALENDAR: Mr. Kleger moved LTD Resolution No. 2002-035: "It is hereby resolved that the Consent Calendar for October 16, 2002, is approved as presented." Mr. Gaydos seconded the motion, which passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Lauritsen, Kleger, and Wylie voting in favor, and none opposed. The Consent Calendar consisted of the minutes of the September 18, 2002, regular Board meeting and the Bylaws and membership roster of the Special Transportation Advisory Council.

VOTE

MOTION FIRST READING, LTD ORDINANCE No. 36, REGULATIONS GOVERNING CONDUCT ON DISTRICT PROPERTY: Mr. Gaydos moved that Ordinance 36, 2002 Revision, be read by title only. Mr. Kleger seconded the motion, which passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Lauritsen, Kleger, and Wylie voting in favor; none opposed. Ms. Wylie then read the title, "Lane Transit District Ordinance 36, 2002 Revision, Regulations Governing Conduct on District Property." Transit Operations Director Mark Johnson said that the Board was familiar with the issue, and he reiterated that it was the intent of the Board and staff to provide the best possible environment for LTD guests.

VOTE

COMMUNITY ACTIVITIES IN WHICH THE BOARD IS INVOLVED:

Ms. Wylie said that there were a number of activities in which the Board had participated in the past, such as Chamber of Commerce auctions. LTD currently was invited to participate in the UO Alumni/Springfield Chamber Auction, which precipitated this conversation. Ms. Wylie said that it was her opinion that LTD had asked for support and participation by various community organizations, and she believed that LTD needed to continue to support those organizations' activities as well. She added that there were community activities that LTD had not participated in recent years, such as the Springfield Christmas parade and the Eugene Celebration parade.

Mr. Hamm added that staff had been discussing what community activities were appropriate for LTD to participate in, given the recent budget cuts. Staff had cut back on many of the extracurricular activities in order to demonstrate that LTD was a good steward of the public funds during tough economic times. At the same time, there were some activities that made sense for LTD to participate in, and it was felt that those primarily were Board activities, although staff previously had participated in those activities as well. Chamber events were considered Board activities, while other activities, such as parade participation, were more of a District representation activity that might show a community spirit in participation. Currently, there was a request for table sponsorship at the UO Alumni/Springfield Chamber auction.

Ms. Lauritsen requested a list of expected activity requests with associated costs so the Board could prioritize its involvement. Mr. Hamm said that he could provide the list for the next Board meeting. He added that Chamber event sponsorships ranged from \$500 to \$1,500. There were several annual dinner/gala type events that the Board previously had participated in. Service Planning and Marketing Manager Andy Vobora added that staff virtually had denied most requests for donations, but had continued participation by sponsorship in some events, such as the Mayor's Ice Cream Social at the Filbert Festival. The event sponsors were reimbursing LTD for other District participation, such as shuttle requests.

Ms. Hocken said that she thought it was important that LTD continue to be a participant in the community in business organization events. She thought that participation could be reduced by sending fewer people to ensure an LTD presence instead of sponsoring and filling an entire table. Mr. Kleger agreed that while it might be prudent to reduce the level of participation, it also was important to maintain a level of presence as a community participant.

Mr. Hamm said that he thought the District historically had been fairly conservative in this area. Ms. Lauritsen agreed that it was her opinion that the District had been prudent, and she thought that the current level of involvement should be maintained; however, new requests should be considered individually. She also reiterated her request for a list of the anticipated activities for Board consideration.

Ms. Ban suggested that the principles be low-cost, high impact, and a blending of both Board and staff to rotate through the various functions. Mr. Gaydos agreed with Ms. Hocken's comment that it was not necessary to purchase a table at each of the events,

particularly since several Board members typically attended through other associations. He thought it was a stewardship issue, and if there was an activity that Board members and/or staff members ought to be attending, it was a legitimate expense.

Ms. Hocken thought that LTD's participation in the Eugene Celebration parade was difficult, particularly during football season. LTD also contributed by absorbing the costs of the free rides with a Celebration Pin. Ms. Ban thought that those were marketing decisions, and her concern was more about presence and networking issues. She thought that if staff thought Board presence was necessary at a function, then the Board should be informed and offered an opportunity to attend.

Ms. Wylie said that LTD previously had a decorated bus in the Springfield Christmas parade that she had ridden on, and she thought the parade goers had responded well to that. She believed LTD should continue that participation. She thought good will was important and could be accomplished at little expense.

Mr. Hamm asked that Board members contact executive assistant Jo Sullivan if they were interested in attending the UO Alumni/Springfield Chamber auction. The individual cost to attend was \$50, and for a bit more money, and for the good will of the Chamber and the UO, two organizations that LTD often called upon for support, a table could be sponsored.

BOARD MEMBER REPORTS: a) Metropolitan Policy Committee: Mr. Gaydos reported events of the October 3, 2002, MPC meeting. A report from the regional meeting of ODOT was heard, and Lane County reviewed a list for the Beltline/I-5 improvements that was forwarded to ODOT. ODOT staff reported that it was agreed that ODOT needed to broaden its involvement and support beyond just road projects, and to develop a way to do that with such projects as bus rapid transit, etc. b) BRT Steering Committee and Board BRT Committee: No Report. c) Springfield Station Design Review Committee: Ms. Lauritsen said that she had been unable to attend the September 30 meeting, but staff would be making a report later in the meeting.

SPRINGFIELD STATION UPDATE: Mr. Kleger said that time was spent at the September 30 Design Review Committee (SSDRC) meeting discussing the appropriateness of the staff and architect's response to ODOT's insistence that LTD separate the driveways along South A Street further than originally planned, and concluded that it would be acceptable. The other major discussion was about the design of the customer service and joint development building.

Facilities Manager Charlie Simmons said that at the previous Board meeting, he had displayed different options than the one the SSDRC had settled on. He distributed color copies of photos that had been taken of the model of the current design. He described the joint development/customer service building. The revised site plan called for the tenants to be located in the north part of the building, with the public restrooms being located just south of a public walkway connecting the parking lot to the bus platform. The guest service center would be located at the south end of the building. In order to cut overhead costs, the tenants would be required to manage the public restrooms.

Clayton Walker, a commercial real estate broker, had been hired to work with the architects to design a very leasable space. Mr. Walker had worked on the LTD Glenwood facility and a number of other public projects. Mr. Kleger added that the SSDRC had discussed the importance of having desirable leasable space.

Mr. Hamm asked if there was a potential logistics problem with the public restrooms if two tenants were in the building. He said that he was concerned that the restrooms appeared to be separated and isolated from the tenant space. Mr. Simmons said that the location of the restrooms still would be adjacent to the tenant space, which would not be further developed until it was known who the tenant (or two tenants) would be. The tenant(s) would have a sight line to the restrooms at the currently designed location. The other opportunity that the design provided was that the restrooms would be located near the guest service office, and they could be monitored by LTD in the event that there was no tenant or the tenant offices were closed. Also, the tenant space could be closed without affecting the restrooms.

Mr. Kleger said that Mr. Walker had said that the tenant space should be flexible and left open until a tenant was secured. A larger space was more marketable, and the interior then could be built to suit the tenant. Nothing about the layout of the building would preclude the writing of a contract with the tenant that included certain maintenance and oversight responsibilities. Providing public restrooms would be marketable for the tenants as well. Most likely, tenant staff restrooms would be built within the tenant space.

Mr. Hamm said that he was concerned that the farther away the public restrooms were from the reality of business, the more illegitimate activities took place within that public space. Mr. Simmons said that the visibility and operation of the public restroom space was a concern of the design team as well. The real estate brokers were optimistic that financial incentives to oversee the public restrooms would be desirable for the tenant(s). The operational financial incentives would reduce LTD's overhead costs of operating the site. Another nice feature of the current design was that LTD's actual office space was quite small, but if more space was needed over time, it would be readily available.

The Station Art Selection Committee was scheduled to meet to review the six public art proposals that had been received. The committee would complete the selection process in December. The design review would be complete by mid-November. Following the site review, construction was on target to begin in the spring, contingent upon full funding.

BOARD MEMBER REPORTS, CONT.: d) Coburg Road Stakeholder Group. Ms. Ban reported that the group had met twice and was in the process of gathering information and setting the tone for the process. e) BRT Naming Committee: Mr. Gaydos reported that the committee had met in early October to select a name. The process was similar to the first attempt, in which the committee members reviewed several hundred possible names and had narrowed the list to 11. Following a large amount of employee and public feedback, the process likely would change. Staff were gathering additional information, and the committee would meet again on October 31. f) APTA Annual Meeting and Expo Report: Several Board members and staff had attended the recent American

Public Transportation Association (APTA) meeting and Expo that was held in Las Vegas. Ms. Ban said that attending the meeting and Expo as a new Board member had proven to be a good learning experience. She had been exposed to many possibilities in technology, and she had really enjoyed sitting in on the BRT meetings. Ms. Wylie said that she had attended the previous Expo in Orlando in 1998. At that time, LTD was interested in the European CiViS bus and had photographs of it to show to the American manufacturers at the Expo. At the recent Expo, there actually had been a CiViS bus on the Expo floor, and she had the opportunity to sit in it and really get to see it up close. Also, since that time, she noted that the transit system in Las Vegas had purchased the CiViS bus, and she had enjoyed seeing the European bus in operation. She was pleased to have been part of the process that LTD had been involved in to change the face of transit in the United States. Mr. Gaydos said that he appreciated the opportunity to spend more time with staff, and to attend the educational sessions. It was helpful to understand the tension that existed with the American bus manufacturers with the increasing popularity of the European-style buses. Mr. Gaydos wondered about the need to have sent so many people from LTD to the Expo. He appreciated that staff had researched and found a very inexpensive hotel as well as securing a group rate for the flight to Las Vegas. He thought the Expo was worthwhile and provided the opportunity to get more "bus in the blood," which was a good thing. Mr. Kleger had not attended, but said that he had heard from an operator who attended that it had been very worthwhile. Attending an Expo of that magnitude opened the perspective of what was available in the bus industry and enhanced LTD's ability to make choices that mattered. Mr. Gaydos added that one of the things he had learned about was the need to have a policy base for a public/private partnership with the leasing of space at the Springfield Station. He asked staff to look into that so LTD could be properly positioned before entering into that partnership. g) Board Finance Committee: No Report. h) Region 2050 Policy Advisory Committee: No Report. i) Statewide Livability Forum: No Report.

GENERAL MANAGER'S REPORT: Mr. Hamm reported that the staff who had attended the Expo had debriefed their experiences. Staff had appreciated the opportunity to attend and to dialogue with the Board members. Employees were given an opportunity to compete by essay for a chance to go to the Expo, and part of the strategy for doing that was to have those employees who were in the ranks come back and talk about the experience with other employees. It also gave them an opportunity to see a broader range of transit information than they typically were exposed to.

Mr. Hamm also reported that the Leadership Council had held its annual retreat on October 10 and 11. He believed that a dynamic discussion had been held regarding some of the preliminary foundation pieces for strategic planning. In addition, LTD leaders had gained some practical tools to improve communications with staff, and had participated in team-building exercises.

Ms. Wylie noted that the General Manager's Report included an announcement of a Regional Transportation Finance event to be held on October 30, which conflicted with a Trustee meeting that involved herself, Mr. Hamm, and Assistant General Manager Mark Pangborn. Mr. Hamm said that the event was being held to inform local businesses about tax incentives for transportation alternatives. Invitations to the event had been distributed to Board members.

Mr. Hamm said that the Board had received a sheet of Strategic Planning Workshop meeting options to be discussed. There were three options to be considered. Option A called for the meeting to be held all day Friday, December 6, 2002, and from 8:30 a.m. to 1:30 p.m., on Saturday, December 7. Option B added a "Board only" dinner discussion on Thursday, December 5, from 5:30 p.m. to 7:30 p.m. Option C included Option B, but eliminated the Saturday session. Following discussion, the Board members preferred Option C, with the modification to begin at 4:00 p.m. on Thursday, December 5, with budget discussion in the LTD Board room, followed by the Board-only dinner discussion, and ending at 7:30 p.m. An all-day meeting would be held on Friday, December 6, at a location off LTD property, which would include a working lunch. There would be no meeting on Saturday, December 7. Mr. Johnson said that the meeting facilitator would be present at the November Board meeting to discuss the final arrangements.

MONTHLY FINANCIAL REPORTS – AUGUST AND SEPTEMBER 2002:

Ms. Hellekson said she did not have much to add to the written report on page 54 of the agenda packet. Expenditure control and payroll tax receipts were good, but there was some concern about ridership figures and fare revenue. Implementation of the Automated Passenger Counting and Automated Vehicle Locator (APC/AVL) system would provide better ridership data. The Comprehensive Annual Financial Report (CAFR) was to be reviewed by the Finance Committee on October 30 and the entire Board with the auditor at the November Board meeting.

BUS RAPID TRANSIT UPDATE: Mr. Pangborn said that the design of Phase 1 was coming along at a fairly fast pace. It had been divided into two pieces, downtown Eugene to Franklin Boulevard and Franklin Boulevard to downtown Springfield. The Eugene section design was nearly complete, and the permit process was about to begin. The Springfield section was still a few months away from design completion. Negotiations with the Oregon Department of Transportation (ODOT) were continuing. Mr. Pangborn and Mr. Simmons recently had given a presentation to the Springfield City Council, which was positively received. The next estimate of the complete corridor costs would be ready by the end of October. Negotiations for property acquisition along the Eugene section had begun. Only two properties were needed for stations along the Eugene section. Staff had talked with all property owners along the corridor, and there were still a few who had concerns about access into and out of their businesses.

Mr. Pangborn reported that LTD had received the Buy America Waiver from the FTA to purchase the six Phileas vehicles from APTS in the Netherlands. Mr. Hamm, Fleet and Facilities Services Director Ron Berkshire, and Purchasing Administrator Jeanette Bailor would make up the vehicle acquisition team.

Mr. Gaydos said that some of the corridor property owners had talked with him about their concerns, and he felt that communications needed to continue with those owners.

Ms. Hocken asked if an exemption from vehicle testing had been received. Mr. Hamm said that staff were pursuing the issue. The FTA testing criteria had been sent to APTS for comparison with their testing criteria. If the testing criteria were comparable, it

was believed that the FTA would waive the requirements. Ms. Hocken asked about the cost negotiations. Mr. Hamm said that the specification details had to be agreed upon prior to final price negotiations taking place. Mr. Hamm said that LTD would consult with someone who had experience with the Las Vegas purchase of the CiViS vehicle. He added that he would be consulting with a local attorney who was from the Netherlands and who specialized in foreign procurement. Ms. Hellekson added that LTD had retained a firm to perform the "due diligence" investigation, which investigated APTS' ability to deliver as promised and the legitimacy of the APTS organization. Negotiations for the purchase would proceed pending a good "due diligence" report.

Ms. Hocken asked about the PeaceHealth site proposal and where it was in the BRT process. Mr. Viggiano said that PeaceHealth had submitted a preliminary site plan, which currently was being reviewed by the City of Springfield. PeaceHealth continued to show the BRT line operating through the site with a stop directly across from the proposed hospital.

CORRESPONDENCE: Ms. Wylie asked the members to review the correspondence included in the packet and to contact staff with questions or concerns.

MONTHLY DEPARTMENT REPORTS: Ms. Lynch reported that since the Government Relations report was written, FTA Administrator Jenna Dorn had postponed her visit to LTD. Ms. Wylie asked about Governor Kitzhaber's budget plans pending the outcome of the November election. Ms. Lynch said that she did not have the information with her, but there was a plan to fund some programs again if certain ballot measures passed.

Mr. Hamm called attention to the Accessible Services grant proposal for commuter services between Oakridge and Eugene-Springfield. Staff had attended the ODOT ranking meeting, and the proposed project had been ranked highest among all grant applications received. LTD would know soon if the grant would be awarded. The amount of the grant would be more than \$100,000. Mr. Kleger said that the program could provide significant savings to the Special Transportation Fund as well. If the people coming into Eugene from Oakridge were able to use the fixed-route service, there would be a major difference in the cost of the rides.

Ms. Ban asked about the White-Line Report that had been distributed to the members. Mr. Vobora explained that it was a sampling of the routes that were experiencing full standing loads. Each bus had a white line across the aisle, just behind the bus operator, which indicated that the bus was full to capacity when there were guests filling the seats and standing in the aisle up to the capacity indicated by the white line. Staff reviewed the report each week to determine tripper services. Bus operators called into dispatch when their bus indicated a "white-line" load. The report also indicated if people were being left at a bus stop due to capacity on the bus. The report also indicated what the resolution was, so staff could track the information to prioritize the need for tripper buses or changes to service. Because of the number of recent service cuts, there had been a significant increase in the number of full buses. While a full bus was a good thing, staff were concerned about whether or not that full bus was missing transfers or passing by waiting customers.

Mr. Vobora also discussed a UO Football Shuttle cost estimate for the current season based on each Park & Ride location. He noted that the cost was approximately \$50,000 per game, and the UO was absorbing that entire cost. Approximately 30 percent was being covered by the farebox, so the UO could choose to increase the cost of the fare in the coming years or could choose to absorb the entire cost, making the shuttles free.

Ms. Hocken asked about the purchase of the New Flyer articulated buses, and if LTD had been successful in tagging onto the Tri-Met contract for that purchase. Mr. Hamm said that those negotiations were underway, and if the effort were unsuccessful, LTD would go out to bid for those buses.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 8:45 p.m.

Board Secretary

FINANCE COMMITTEE AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: 60-DAY NOTICE RESOLUTION

PREPARED BY: Diane Hellekson, Director of Finance & Information Technology

ACTION REQUESTED: Approval.

BACKGROUND: As previously reported to the Board, there are a number of steps required in order to issue revenue bonds to finance the purchase of 18 Gillig buses and 5 articulated buses. A reimbursement resolution was approved by the Board, at the recommendation of the Finance Committee, at the September 18 Board meeting. It is now time to consider and approve what is called a 60-Day Notice Resolution.

This resolution, which has been forwarded by the Finance Committee with a recommendation to approve, will be published in accordance with legal notice requirements and will specify a 60-day period in which members of the public can declare intent to oppose the debt financing plan.

The 60-Day Notice Resolution, which was written by Lane Transit District's bond counsel, is attached. Following Board approval, the required notice will be published in the *Register-Guard* and an affidavit of publication will become part of the debt financing public record.

ATTACHMENTS: 60-Day Notice Resolution

PROPOSED MOTION: I move approval of LTD Resolution No. 2002-037, A Resolution Setting Forth the Intent of the District to Issue Revenue Bonds to Finance the Acquisition of Replacement Buses and Providing for Other Matters Pertaining Thereto.

**LANE TRANSIT DISTRICT
RESOLUTION NO. 2002-037**

**A Resolution Setting Forth the Intent of the District to Issue Revenue
Bonds to Finance the Acquisition of Replacement Buses and
Providing for Other Matters Pertaining Thereto**

As the preamble to this resolution (the “**Resolution**”), the Board of Directors (the “**Board**”) of the Lane Transit District (the “**District**”) hereby recites the matters set forth below. To the extent any of the following recitals relates to a finding or determination which must be made by the Board in connection with the subject matter of this Resolution or any aspect thereof, the Board declares that by setting forth such recital such finding or determination is thereby made by the Board. The recitals, findings, and determinations set forth herein constitute a part of this Resolution.

(1) The District Is a Municipal Corporation and Political Subdivision of the State of Oregon. The District is a municipal corporation and political subdivision organized and existing under and pursuant to the laws of the State of Oregon.

(2) Need to Finance Project Costs. The District currently is in the process of acquiring approximately 18 low-floor buses and 5 articulated buses (collectively, the “**Replacement Fleet**”) to replace a portion of its existing fleet of buses. The District currently estimates that in order to finance the cost of acquiring the Replacement Fleet it will be necessary to issue revenue bonds in a principal amount currently estimated to be \$9,000,000.

(3) Uniform Revenue Bond Act. Pursuant to and in accordance with the provisions of the Uniform Revenue Bond Act, ORS 288.805 to 288.954 (the “**Act**”), and related provisions of the Oregon Revised Statutes, the District is authorized to issue and sell from time to time revenue bonds for any public purpose. Utilizing this authority, the District intends to issue and sell revenue bonds under the Act in order to provide the moneys needed to finance the costs of acquiring the Replacement Fleet.

(4) Development of System Revenue Bond Financing Program. In connection with the issuance of the bonds, it will be in the long-term interest of the District to develop and adopt the Master Indenture described herein in order to provide a comprehensive framework for meeting the current and future financing needs of the District’s facilities and operations.

(5) Authorization of Bonds to Finance Project. In light of the foregoing, it is appropriate for the District to authorize the issuance of revenue bonds under the Act for the purpose of financing the acquisition of the Replacement Fleet.

Now, therefore, be it resolved by the Board of the District as follows:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1:

“**Act**” means the Oregon Uniform Revenue Bond Act, being ORS 288.805 to 288.945, as amended.

“Bonds” means the revenue bonds authorized to be issued under Section 2 of this Resolution for the purpose of financing the Project Costs, which bonds shall be issued under this Resolution and the Master Indenture.

“District” means the Lane Transit District, a municipal corporation and political subdivision organized and existing under and pursuant to the laws of the State of Oregon.

“Master Indenture” means a trust indenture to be hereafter approved by the District’s Board, which trust indenture shall provide a comprehensive framework for the issuance of the Bonds and any additional revenue bonds that may be necessary or appropriate to meet the future financing needs of the District’s facilities and operations, all for the purpose of dedicating and pledging the Revenues of the District to the payment of such revenue bonds, establishing the necessary funds and accounts in connection therewith, and setting forth appropriate covenants, terms, and conditions in order to enable all revenue bonds issued thereunder to be marketed and sold on the favorable terms.

“Petition” means a petition filed by the electors of the District asking to have the question of whether to issue the Bonds referred to a vote, all as permitted by ORS 288.815 and as more particularly set forth in Section 3 of this Resolution.

“Replacement Fleet” means the buses to be acquired by the District to replace a portion of its existing bus fleet, consisting of approximately 18 low-floor buses and 5 articulated buses.

“Project Costs” means all costs and expenses incurred and to be incurred in connection with the design, engineering, acquisition, testing, and financing of the Replacement Fleet, including but not limited to all costs incurred in connection with the issuance and sale of the Bonds, capitalized interest on the Bonds, and the funding of any necessary reserves and contingency amounts.

“Revenues” means the tax revenues derived by the District from the payroll and self-employment taxes imposed by the District pursuant to ORS 267.380 and 267.385, all as the same shall be more particularly described in the Master Indenture.

Section 2. Authorization of Revenue Bonds to Finance Project and Related Matters.

(a) Principal Amount. For the purpose of financing the Project Costs, the Bonds are hereby authorized to be issued pursuant to the Act in an aggregate principal amount not to exceed \$9,000,000; provided that in the event any Bonds are issued and sold at an original issue discount, such original issue discount shall not, for purposes of the maximum principal amount of Bonds authorized to be issued hereunder, be deemed to be a part of the principal amount thereof, it being the intent hereof that the stated principal amount of the Bonds less any such original issue discount shall not exceed \$9,000,000. The Bonds shall be issued pursuant to this Resolution and the Master Indenture, and shall be secured by and payable from the Revenues, and shall have such terms, conditions, and provisions, all as shall be set forth in the Master Indenture.

(b) Limited Obligations. The Bonds and all obligations of the District under or with respect to the Bonds shall be and remain limited obligations of the District payable solely and only out of the Revenues and other assets and properties of the District hereafter pledged or mortgaged thereto pursuant to the Master Indenture (the Revenues together with such other assets and properties

being herein called the “**Trust Estate**”). No recourse shall be had against any properties, funds, or assets of the District (other than the Trust Estate) for the payment of any amounts owing under or with respect to the Bonds. Neither the Bonds nor the obligations of the District under or with respect thereto shall constitute or create an indebtedness of the District within the meaning of any constitutional or statutory debt limitation. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon against any member, officer, or employee of the District or any person executing the Bonds.

(c) Preparation of Master Indenture. The District General Manager, the District Director of Finance and Information Technology, and the District's staff, financial advisor, and bond counsel are hereby authorized and directed to prepare the Master Indenture as contemplated herein and to present such Master Indenture to the Board for consideration and approval.

Section 3. Right of Electors to Refer Bonds to Vote. Pursuant to and in accordance with the requirements of the Act, the issuance of the Bonds as authorized by this Resolution is subject to the following limitations and conditions:

(a) Petition to Refer Bonds to Vote. The electors of the District may file a Petition with District asking to have the question of whether to issue the Bonds referred to a vote, as provided and required under ORS 288.815(3).

(b) Signatures Required and Time for Filing Petition. If:

(i) a Petition is filed within 60 days following publication of the notice described in Section 4 of this Resolution; and

(ii) such Petition contains the valid signatures of electors of District totaling not less than 5 percent of District's electors;

then and in such event the question of issuing the Bonds shall be placed on the ballot at the next legally available election date, and no Bonds may be sold until this Resolution is approved by a majority of the electors of District voting on such question.

If no Petition meeting the requirements of (ii) above is filed with the District within the 60-day time period referred to in (i) above, the District may proceed with the issuance and sale of the Bonds at any time following the expiration of such 60-day time period.

Section 4. Publication of Notice. The District's Director of Finance and Information Technology is hereby authorized, empowered, and directed, for and on behalf of the District, to publish a notice in the form attached hereto as Exhibit A. Such notice shall be published in *The Register-Guard*, a newspaper of general circulation within the jurisdictional boundaries of the District.

Section 5. Additional Actions Authorized. The District's General Manager and Director of Finance and Information Technology, and such other District personnel as shall be directed by any of the foregoing, are each hereby authorized, empowered, and directed, for and on behalf of the District, to take any and all actions necessary or appropriate in order to carry out the intended purposes of this Resolution.

Section 6. Governing Law. This Resolution shall be interpreted, governed by, and construed under the laws of the State of Oregon, including the Act.

Section 7. Headings Not Binding. The headings in this Resolution are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Resolution.

Section 8. Effective Date. This Resolution shall become effective immediately upon adoption.

Adopted by the Lane Transit District Board of Directors on the 18th day of December, 2002.

December 18, 2002

Date

Board Secretary

Exhibit A

Form of Notice

Lane Transit District

Official Notice of Intent to Issue Revenue Bonds

NOTICE IS HEREBY GIVEN that on December 18, 2002, the Board of Directors of the Lane Transit District (the "District") adopted Resolution No. 2002-037 (the "Resolution"), a copy of which Resolution is available for inspection by any interested member of the public during regular business hours at the main administrative offices of the District located at 3500 East 17th Avenue, Eugene, Oregon 97403.

Bonds Authorized: The Resolution authorizes the issuance of revenue bonds in an estimated aggregate principal amount of not to exceed \$9,000,000 (the "Bonds") for the purpose of financing the costs of acquiring a fleet of buses to replace the District's existing bus fleet. The replacement buses will be used in the District's mass transit operations.

Source of Payment of Bonds: The Bonds will be secured by a pledge of and be payable out of the revenues derived by the District from the payroll and self-employment taxes currently imposed by the District pursuant to ORS 267.380 and 267.385. The District may also provide for the payment of the Bonds out of other legally available sources of revenue. No new taxes will be imposed to pay the amounts owing on the Bonds.

Right to Refer Issuance of Bonds to Electors for Approval: Under the provisions of ORS 288.815, the electors of the District have the right to file a petition with the District asking to have the question of the issuance of the Bonds referred to a vote. In order to have the question of issuance of the Bonds so referred to a vote, a petition asking for such a referral must be filed with the District not less than 60 days following the date of publication of this notice and such petition must contain the valid signatures of not less than 5 percent of the District's electors.

If such a petition is filed with the District within such 60-day period, the question of issuing the Bonds will be placed on the ballot at the next legally available election date and the Bonds may not be sold until the Resolution is approved by a majority of the electors of the District voting on the Resolution at such election.

If no such petition is filed with the District within such 60-day period, the District may proceed to issue the Bonds at any time thereafter without further notice or right of referral on the part of the electors of the District.

This notice is being given and published by order of the Board of the District pursuant to the requirements of ORS 288.815(6).

Diane W. Hellekson, Director of Finance and Information Technology, Lane Transit District

Date of Publication: December 24, 2002

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: ANNOUNCEMENTS AND ADDITIONS TO AGENDA

PREPARED BY: Jo Sullivan, Administrative Services Manager/Clerk of the Board

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: December 18, 2002

ITEM TITLE: WORK SESSION: APTS VISIT

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

BACKGROUND: Jos Jansen, _____ title _____, and Ruud Bouwman, Chief Engineer, from Advanced Public Transport Systems (APTS) of the Netherlands will be visiting LTD December 16-18, 2002. Their firm manufactures the Phileas vehicle. They are here to continue procurement negotiations with LTD for six vehicles for BRT.

Staff thought it would be appropriate to introduce them to the Board and provide the opportunity for Board members to ask any questions you might have. They have not been asked to make a formal presentation.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** December 18, 2002
- ITEM TITLE:** ACCEPTANCE OF AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2002
- PREPARED BY:** Diane Hellekson, Finance & Information Technology Director
- ACTION REQUESTED:** That the Board accept the independent audit report for the fiscal year ending June 30, 2002
- 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 2001-2002 CAFR appears as an attachment to a work session item for the December 18 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 have submitted the previous six 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 six reports. After Board acceptance, staff will submit the FY 2001-2002 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 Manager, for her work on the current CAFR.
- Charles Swank of Grove, Mueller and Swank, P. C., will attend the December 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:** None. (The audit report and audited statements are wholly contained in the Comprehensive Annual Financial Report.)
- PROPOSED MOTION:** I move the following resolution:
- LTD Resolution No. 2002-040: Resolved, that the LTD Board of Directors accepts the Independent Audit Report for the fiscal year ending June 30, 2002.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: BOARD MEMBER REPORTS

PREPARED BY: Jo Sullivan, Administrative Services Manager/Clerk of the Board

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 generally are held on the second Thursday of each month. MPC did not meet in November, and last met on December 12, 2002. LTD's MPC representatives are Board members Hillary Wylie and Gerry Gaydos, with Pat Hocken as an alternate. They can provide an update for the Board at the December 18 Board meeting. The next MPC meeting will be held on January 9, 2002.
2. **BRT Steering Committee and Board BRT Committee:** Board members Gerry Gaydos, Pat Hocken, 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. Ms. Hocken chairs both committees. The Board committee last met on May 13, 2002. The full Steering Committee generally meets on the first Tuesday of each month. At the Board meeting, the three Board representatives can provide a report on the November 5, 2002, Steering Committee meeting. The December 3, 2002, meeting was canceled. The next meeting is scheduled for January 7, 2003.
3. **Springfield Station Design Review Committee:** Board members Virginia Lauritsen, Robert Melnick, and Hillary Wylie are participating as the Board's representatives on the Springfield Station Design Review

Committee (SSDRC), and also make up the Board's three-member Springfield Station Committee. Ms. Wylie is chair of the Board Committee, and a community member is chair of the full SSDRC. The SSDRC last met on October 22, 2002. The next meeting will be scheduled after site review, possibly in January 2003.

4. **Coburg Road Stakeholder Committee**: Susan Ban is the Board's representative on the Coburg Road Stakeholder Committee. This committee last met on November 13, and has scheduled a design charrette for January 8, 2003.
5. **BRT Naming Committee**: Board members Gerry Gaydos, Pat Hocken, and Susan Ban are participating on the BRT Naming Committee to continue the process to recommend a name for the BRT system. This group last met on October 31. No additional meetings have been scheduled at this time.
6. **Board Finance Committee**: The Board Finance Committee (Pat Hocken, chair; Gerry Gaydos; and Virginia Lauritsen) last met on October 30. The committee is scheduled to meet again on January 30, 2003.
7. **Region 2050 Policy Advisory Committee**: Board member Susan Ban has been appointed to the Region 2050 Policy Advisory Committee. She attended her first meeting on November 14, 2002.
8. **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. There is no report this month.

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: October 16, 2002

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

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

- ◆ September 27, 2002, memorandum from Larry Gruman of Gruman International Tours to University of Oregon Director of Athletics Bill Moos, expressing his gratitude for the positive accommodations and treatment afforded to persons in wheelchairs on football shuttle service and at the football stadium
- ◆ Copy of letter from LTD to Eugene Mayor Jim Torrey regarding recommendations resulting from a study of the West Eugene Parkway prepared by Crandall Arambula of Portland

At the October 16, 2002, 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

SPECIAL MEETING

Friday, December 6, 2002

Pursuant to notice given to *The Register-Guard* for publication on December 2, 2002, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Friday, December 6, 2002, beginning at 3:00 p.m., at the Courtyard by Marriott at 3443 Hutton Street, Springfield, Oregon.

Present: Susan Ban
Gerry Gaydos, Vice President
Patricia Hocken, Secretary
Virginia Lauritsen, Treasurer
Robert Melnick
Hillary Wylie, President, presiding
Jo Sullivan, Clerk of the Board/Recording Secretary

Absent: Dave Kleger

CALL TO ORDER: The meeting was called to order at 3:15 p.m. by Board President Hillary Wylie. Ms. Wylie stated that representatives of the news media and appropriate staff would be allowed to attend the executive session but all audience members would be asked to leave the room. She also stated that representatives of the news media were specifically directed not to report on any of the deliberations during executive session, except to state the general subject of the session as previously announced. She said that no decision could be made in executive session. If any action were to be taken, the Board would do so in public session following the executive session.

Ms. Wylie then asked for a motion to meet in executive session.

MOTION **EXECUTIVE SESSION:** Ms. Ban moved that the Board meet in executive session
VOTE pursuant to ORS 192.660(1)(b), ORS 192.660(1)(f) and ORS 40.220. Mr. Melnick seconded the motion. The motion carried by unanimous vote, 5 to 0, with Ban, Gaydos, Hocken, Melnick, and Wylie voting in favor, and Lauritsen temporarily out of the room. The executive session began at 3:16 p.m., with District Counsel Roger Saydack and Dennis Percell and investigator Thomas A. Brett present. Mark Baker of *The Register-Guard* also was present. Ms. Lauritsen returned to the meeting at 3:40 p.m.

The Board took a brief recess during executive session, from 4:23 p.m. to 4:30 p.m. The Board then continued to meet in executive session until 5:40 p.m.

MOTION **RETURN TO REGULAR SESSION.** Mr. Gaydos moved that the Board close the
VOTE executive session and return to public session. Ms. Ban seconded, and the Board unanimously returned to public session at 5:40 p.m.

MOTION Mr. Gaydos moved that the Board accept the information as provided to them in executive session and direct counsel to prepare a letter to be delivered to them by the following Wednesday, and that no action should be taken. Mr. Melnick seconded the motion. There was some discussion about process before the vote was taken. The motion then carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Lauritsen, Melnick, and Wylie voting in favor and no one opposed.

VOTE

ADJOURNMENT: The special meeting was adjourned at 4:45 p.m.

Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, November 20, 2002

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, November 20, 2002, at 5:30 p.m., was canceled for lack of a quorum. The agenda items were postponed to the next regular monthly meeting on Wednesday, December 18, 2002.

Board Secretary

AGENDA ITEM SUMMARY

- DATE OF MEETING:** December 18, 2002
- ITEM TITLE:** BRT PHASE 1 PROPERTY ACQUISITION
- PREPARED BY:** Mark Pangborn, Phase 1 Project Manager
- ACTION REQUESTED:** Approval of attached Resolution
- BACKGROUND:** Phase 1 of BRT is being designed in two pieces, downtown Eugene to the intersection of East 11th and Franklin Blvd, and East 11th and Franklin Blvd to downtown Springfield. In both sections, BRT will be operating in a public right-of-way. Nonetheless, there are specific areas where the corridor must be expanded to accommodate BRT. In these areas, LTD will need to acquire small portions of private property or an easement from an adjacent property owner in order to meet the design and safety requirements for BRT. LTD will need to purchase this property and then, through an Intergovernmental Agreement (IGA), deed this newly acquired property to the City of Eugene or the Oregon Department of Transportation (ODOT), depending on the location of the property.
- The Eugene section of the corridor is at 95 percent of design. In this corridor, there are eight pieces of property that must be acquired. Three of the pieces currently are owned by ODOT, one is owned by the University of Oregon, and the remaining four are privately owned. Amongst the private owners, the size of property ranges from 54 square feet to 1,144 square feet.
- It is likely that by January 2003 the Board will have a similar resolution for those pieces of property that are in the second section of Phase 1, East 11th/Franklin Blvd to downtown Springfield.
- In order to move forward with negotiations for acquiring these properties, the Board must provide authorization through the passage of the attached resolution.
- ATTACHMENT:** Resolution and attachment of legal description of properties impacted by resolution
- PROPOSED MOTION:** I move that the LTD Board of Directors approve LTD Resolution No. 2002-041, A Resolution Authorizing the Lane Transit District to Acquire by Purchase or by the Exercise of the Power of Eminent Domain Certain Real Property Necessary for the Bus Rapid Transit Project.

LTD RESOLUTION NO. 2002-041

A Resolution Authorizing the Lane Transit District to
Acquire by Purchase or by the Exercise of the Power of Eminent Domain
Certain Real Property Necessary for the Bus Rapid Transit Project

WHEREAS, ORS 267.200(2) and ORS 267.225(2) authorize and empower Lane Transit District (“LTD”) to acquire by condemnation, purchase, lease, devise, gift, or voluntary grant real and personal property or any interest therein located inside the boundaries of its transit district.

WHEREAS, LTD is in the process of working with local, state and federal agencies in the planning and construction of the Bus Rapid Transit (“BRT”) Project which will result in a bus rapid transit system designed to help accommodate the transportation needs of Eugene and Springfield. The first phase of BRT Project (“Phase 1”) will connect downtown Eugene to downtown Springfield and will include the construction of bus guide ways, bus stations, transit signals, landscaping, bicycle and pedestrian enhancements, and other corridor improvements.

WHEREAS, LTD completed an Environmental Impact Statement for the Phase 1 of the BRT Project. Following public notice, LTD held a public meeting on June 20, 2001, and adopted Resolution No. 2001-025 approving the Phase 1.

WHEREAS, the Phase 1 is in compliance with and in furtherance of adopted LTD plans and policies, including, but not limited to, increasing transit ridership, improving neighborhood livability and environment, overall enhancing the public transit services for the district, and is for the benefit and general welfare of the public.

WHEREAS, ORS 35.235 requires the Board, first to declare by resolution the necessity of the acquisition of real property and the purpose for which it is required, and then to attempt to agree with the owner with respect to the compensation to be paid therefor, and the damages, if any, for the taking thereof.

WHEREAS, for the accomplishment of the Phase 1, it is necessary that LTD have the immediate right of possession to certain parcels of real property described in this resolution.

NOW, THEREFORE, based upon the above findings, which are incorporated herein by reference and hereby adopted, LTD does find, declare, and adopt:

1. That for the accomplishment of the planned Phase 1 there is needed and required certain interests in or fee simple title to certain parcels of real property more particularly described on Exhibit A through Exhibit H attached hereto and incorporated herein by this reference (the “Real Property”).

RESOLUTION - 1

2. That the Phase 1 is necessary for the public interest, and has been planned, designed, located, and will be constructed in a manner which will be most compatible with the greatest public good and least private injury and is authorized under the rules and ordinances of LTD, the laws of the state of Oregon and all applicable federal laws.

3. That immediate possession of the Real Property is necessary.

4. That LTD staff and/or its designees are authorized and directed to obtain all necessary appraisals and to make further attempts to agree with the owners of the Real Property and any other persons in interest as to the just compensation to be paid for the Real Property and damages, if any, for the taking thereof, and LTD's General Manager or his designee is authorized to make a binding agreement providing such just compensation.

5. That the LTD Board hereby ratifies all offers to purchase all rights, title, and interest in the Real Property that have been previously made in connection with Phase 1 of the BRT Project.

6. That, in the event no satisfactory agreement is reached between the Real Property owners and LTD, LTD, through its legal counsel, is authorized to commence and prosecute to final determination such legal proceedings, including proceedings in eminent domain, as may be necessary to obtain immediate possession of and to acquire the Real Property.

7. That there is hereby authorized the creation of a fund in the amount estimated to be the just compensation for the Real Property which, if necessary, shall be deposited with the clerk of the court in which the eminent domain action is commenced.

8. That the LTD Board declares that the Real Property described in Section 1 above shall be used by LTD for public purposes at the earliest possible date and, in any event, no later than ten (10) years from the date this Resolution No. 2002-041 is adopted by LTD.

9. That the General Manager or his designee(s) is (are) authorized to execute any and all necessary documents and to take such other steps on behalf of LTD as necessary to carry out the intent of this Resolution No. 2002-041.

Adopted by the Lane Transit Board of Directors on the 18th day of December, 2002.

December 18, 2002

Date

Board Secretary

RESOLUTION - 2

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: BRT UPDATE

PREPARED BY: Graham Carey, BRT Project Engineer, Development Services

ACTION REQUESTED: None. Information and discussion only.

BACKGROUND: **Phase 1 Corridor Design:** The Phase 1 design process is proceeding as planned. The western section, Eugene, is now at the 95 percent completion mark. Eugene permit staff currently are reviewing the plans.

The 60 percent designs for the Franklin/UO/Springfield sections are currently undergoing review by staff. Staff are continuing to meet with some key property owners along the corridor.

In consultation with Wildish Construction, staff have conducted a Value Engineering exercise to ensure that the materials used in the construction of the BRT facility provide the best "value" in terms of their product life-cycle.

Construction Budget: Staff received a more complete budget for the project and are currently reviewing it to ensure that it is appropriate.

Deleted:

BRT Naming: The BRT Naming committee met on December 2. Consultants CMWK and Funk/Levis produced rationales for seven names determined by staff and consultants at the November and subsequent meetings. Staff will update the Board on progress at the Board meeting.

Deleted:

Phase 1 Vehicles: Representatives from APTS, the manufacturer of the Phileas vehicle, were in Eugene/Springfield from November 20-22 to continue negotiations for the vehicles. Significant progress was made in defining LTD's vehicle needs and federal vehicle safety requirements. Staff are anticipating that APTS will provide a contract price in January and the contract will be completed by the end of February 2003. At the Board meeting staff will update the Board on progress.

[Station Design: Station design continues to move forward, including the color decisions for the 8 stations. Staff will work with the State Historic](#)

[Preservation Office \(SHPO\) to get an approval on the recommended color scheme.](#)

BRT/Springfield Station open house: February 6 has been selected as a tentative date for a downtown Springfield event that will include an update on BRT in downtown Springfield and the design updates for the Springfield Station. Board participation will be encouraged.

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Springfield Corridor: The Harlow/Gateway Stakeholder Group held their second meeting on November 19. At this meeting a number of candidate BRT designs were reviewed by the group. Staff are currently refining the preferred alternatives and will present them to the Stakeholder Group at its third meeting scheduled for January 23, 2003.

Eugene Corridor: Staffs are making preparations for the Design Charrette that will occur on January 8 and February 12, 2003. At the Charrette the group will discuss design alternatives for both Coburg Road and Oakway Road.

ATTACHMENTS: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: CONSENT CALENDAR

PREPARED BY: Jo Sullivan, Administrative Services Manager/Clerk of the Board

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 December 18, 2002:

1. Approval of minutes: October 16, 2002, regular Board meeting
2. Approval of minutes: November 20, 2002, canceled Board meeting
3. Approval of minutes: December 6, 2002, special Board meeting

ATTACHMENTS

1. Minutes of the October 16, 2002, regular Board meeting
2. Minutes of the November 20, 2002, canceled Board meeting
3. Minutes of the December 6, 2002, special Board meeting

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

LTD Resolution No. 2002-036: It is hereby resolved that the Consent Calendar for December 18, 2002, is approved as presented.



Lane Transit District
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MONTHLY DEPARTMENT REPORTS

December 18, 2002

GOVERNMENT RELATIONS

Linda Lynch, Government Relations Manager

STATE

When the dust settles on the ballots cast this month in Oregon elections, hindsight will say there are few surprises. Governor-elect Kulongoski led in polls all year long, despite how narrow the gap became. People had long predicted that the Republicans would pick up seats in the House and, since the May primary, it has looked very likely that the Senate would split 15-15. Lane County has a new mix of faces representing it in the 2003 session, but they are all familiar faces.

- Rep. Terry Beyer has assisted her husband, former state representative and senator Lee Beyer, during his entire tenure in the legislature. She is well prepared to work on issues on her own.
- Rep-elect Floyd Prozanski returns to the legislature, following the court-ordered end to limited terms.
- Senator-elect Vicki Walker moves to the Senate after two terms in the House.
- Reps Phil Barnhart and Bob Ackerman have slightly reconfigured districts.
- Rep. Jeff Kruse of Roseburg has a district that now includes LTD service territory.
- Rep-elect Pat Farr takes his experience on the Eugene City Council to Salem and has already expressed an interest in membership on the Transportation Committee.
- Senators Tony Corcoran and Bill Morrisette also return to the Senate. Senator Morrisette was appointed to the Senate after Lee Beyer was named to the Public Utility Commission.

On Thursday, November 7, the Legislative Emergency Board acted to protect the Public Transit Division from any further cuts this biennium, no matter the outcome on the January 28 ballot measure. The proposed cut for them was very small, and this should not be construed as the state not needing the funds it could raise as a result of the January vote.

Governor John Kitzhaber nominated, and the Senate has confirmed, the reappointment of Board member Dave Kleger and the appointment of David Gant to the LTD Board of Directors. Mr. Gant lives in Cottage Grove and is an attorney in practice in Springfield. He previously served on the South Lane Wheels Board of Directors and as interim manager of South Lane Wheels while a permanent manager was being sought. He will replace Robert Melnick at the beginning of the year.

FEDERAL

In the Congress, the Republican Party regained a majority of the U.S. Senate seats as a result of Tuesday's elections. The change in control of the Senate will bring a change in leadership, including Committees with jurisdiction over transit and TEA 21 reauthorization. The House remains in GOP control, and it is not anticipated that there will be significant changes in House Committee leadership positions. The minority Democrats will be electing a new leader but committee assignments are not likely to change significantly.

However, the leadership shake-up in both houses has pushed aside the (nagging) question of a federal budget for FY 03, which began October 1. Congress will reconvene November 12, when it is anticipated that a long-term Continuing Resolution (CR) will be passed to fund the government until March. Only two of the 13 appropriations measures have passed and been signed into law. A long-term CR does not bode well for earmarks or increased formula funds.

Despite the fact that a federal budget may not be adopted until the halfway point of the fiscal year, it is expected that local "united front" lobbyists will be in Washington, D.C., the first week of March 2003. At the urging of Lane County, a review of the united front effort was conducted this year, surveying 32 people who had been closely involved with the effort about all aspects of the unified lobbying effort over the past three years. A memo summarizing the comments and recommendations is attached to this report.

DEVELOPMENT SERVICES

Stefano Viggiano, Director of Development Services

ACCESSIBLE SERVICES

Terry Parker, Accessible Services Manager

There is no accessible services report this month.

SERVICE PLANNING AND MARKETING

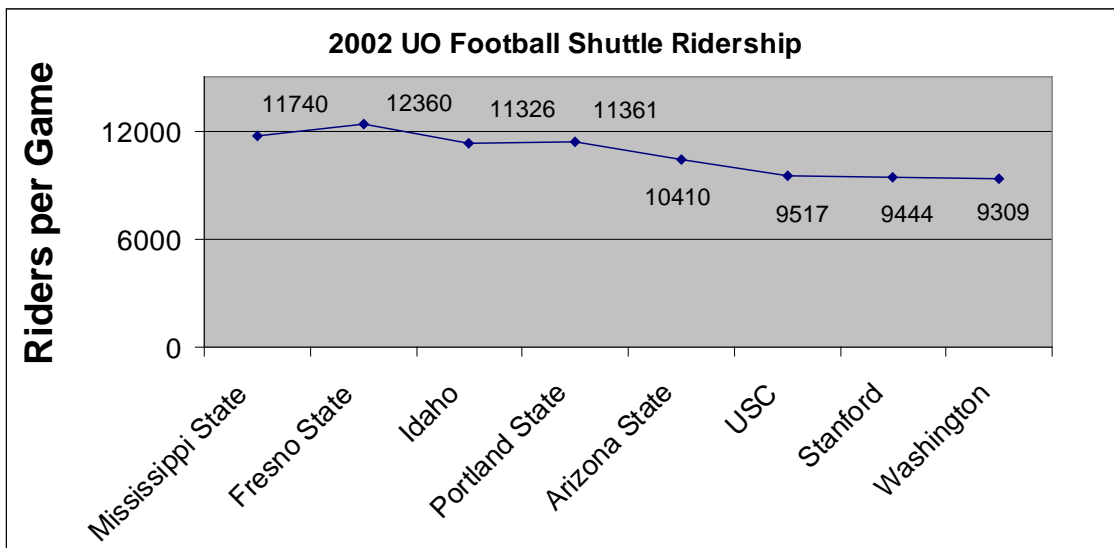
Andy Vobora, Service Planning and Marketing Manager

SPECIAL EVENT SERVICE

Football service continued to work well through the Washington game. Ridership dropped during the PAC 10 games. Staff will be discussing why ridership dropped following the non-conference games. It is possible that the preseason games attract a greater number of single-game riders, who are more likely to use transit because they are unfamiliar with the parking and traffic situation around the stadium. Staff also believe that the service's early-season success made driving to the game fairly simple and that some people may

have gone back to driving. Factors such as Lane County Mental Health placing newspaper ads promoting driving to the game and parking on their site also have worked against transit. Overall, however, everyone is pleased with the service that has been provided. Below is a summary by location:

<i>Total for season</i>	RRS	CIVIC	LCF	VRI	SPFD	DT	THUR	ECF	SMS	ES
Total boardings	11,106	9,702	6,817	16,985	5,992	10,002	6,611	6,575	6,614	4,018
Season average	1,388	1,213	852	2,123	749	1,250	826	822	827	502
	13%	11%	8%	20%	7%	12%	8%	8%	8%	5%



Basketball service is off and running. Staff do not anticipate ridership gains like the football shuttles have produced, but many still find riding the bus easier than driving to Mac Court and walking in from the surrounding neighborhoods. The University of Oregon chose to offer a season shuttle pass for men’s and women’s games, which has been met with positive comments from fans.

AUTOMATIC PASSENGER COUNTING PROJECT

Staff work continues to move along very well. All bus stops have been surveyed and identified using the global positioning equipment. Voice recording has been completed for the test vehicles and will be finalized as input is gathered regarding the best voices for these announcements. The project is on track for implementation with the winter bid service change on February 2, 2003.

SERVICE ADVISORY COMMITTEE

The Service Advisory Committee (SAC) has met to discuss the annual route review process. Discussions have been preliminary as the group awaits further direction from the Leadership Council and the Board. This committee is comprised of bus operators, operations staff, Guest Services staff, marketers, and planners. The service package recommendation will be formulated, analyzed, and prioritized by the SAC. SAC also

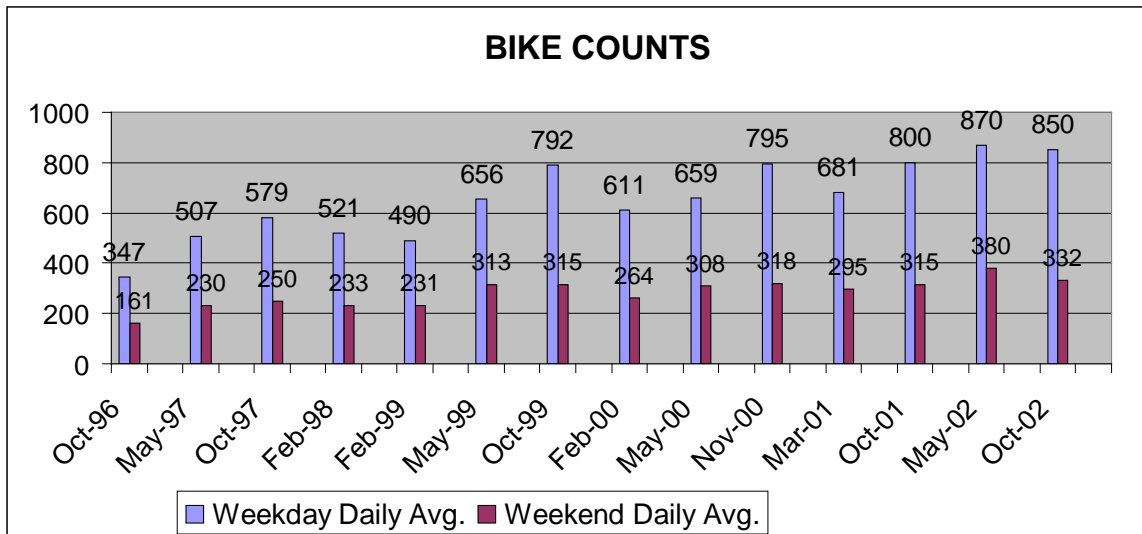
reviewed the list of service fixes that will be included in the winter bid. These changes are necessary to address running-time issues that have arisen during fall bid.

DELAY STUDY CONDUCTED

Planning staff conducted a delay study at the Eugene Station in early November. This study looks at arrival times of routes throughout the day. The information helps staff determine if transfers are being met consistently and helps verify feedback from bus operators who report running-time problems. The information will assist staff with making winter bid service changes and with the analysis of changes for the annual route review. Because this information is a two-day snapshot, staff will further investigate problems as part of the process. A bus is considered “late” when it arrives 0 to 4 minutes after the scheduled arrival time at the station. In most cases guests are able to make transfers; however, the time to transfer is reduced significantly the later the bus arrives. At the Eugene Station, 648 trips (25 routes) were surveyed during the peak travel times. Results indicate that 38 percent of arrivals were late. Approximately 40 percent of the late trips were under two minutes late and 8 percent were over 4.5 minutes late. At the University Station, 247 trips (11 routes) were surveyed and 6 percent of these trips were more than 4.5 minutes late.

BIKES ON BUSES UPDATE

Twice a year bus operators tally the number of guests who transport their bikes on the bus. The latest bike counts were conducted in October 2002. This count is the first downturn since the November 2000 count, and probably is attributable to the overall decrease in ridership we are experiencing. Weekday averages dropped to 850 bikes per day and weekend averages dropped to 332 per day.



Comparing Monthly Totals:

Oct. 2002 – 22,211 May 2002 - 23,046
 Oct. 2001 - 20,921 May 2000 - 17,615

ASUO GROUP PASS

Work with the Associated Students of the University of Oregon (ASUO) staff has begun as the ASUO prepares for its 2003-04 budget process. LTD staff are working toward increasing the rate per student to eventually match the Board policy rate established during the revision of the group pass policy in 2001. The initial reaction to the magnitude of these increases has not been positive by ASUO staff. There is recognition that the program is valuable to students and that the ASUO wants to maintain the program. LTD's budget discussion before the ASUO program finance committee will occur on January 30, 2003. In the interim, LTD staff will be discussing options for moving the funding away from the ASUO incidental fee budget and into the University's mandated fee budget. This would allow the University administration to administer the program directly, which LTD the staff believes better recognizes the value of the program to the University. A meeting with Vice President Dan Williams is set for mid-December, and should provide LTD staff a better sense of the likelihood of moving the funding.

COMMUTER SOLUTIONS PROGRAM

Connie B. Williams, Program Manager

RIDESHARE MATCHING SOFTWARE

Staff visited Salem and Portland in November to compare rideshare matching software systems. The system being used by Commuter Solutions is obsolete and in need of replacement.

TDM REFINEMENT PLAN FOR TRANSPLAN

Work on this project with Lane Council of Governments (LCOG) staff continues. Transit Demand Management (TDM) Strategies recently were ranked by their priority to enhancing bus rapid transit (BRT) and Nodal Development policies in TransPlan. Recommendations were presented to the Transportation Planning Committee (TPC) in November and December.

VALLEY VANPOOL AWARD

Commuter Solutions staff, along with staff from the City of Salem and Cascades West Council of Governments, received the Oregon Transit Association's Golden Shoestring Award at the Oregon Transportation Conference in Seaside, Oregon, in October. The award is given for an innovative, low-cost project/ promotion.

BUSINESS TAX SAVINGS

A luncheon was held October 30, 2002, for local businesses and agency staff involved in transportation planning and economic/land use developments. Business representatives attending the session said they learned a great deal and many will be using the information to acquire new Oregon tax credits. Staff have responded to several requests for additional information.

SCHOOL EDUCATION

Commuter Solutions will, once again, be sponsoring the Newspapers in Education (NIE) program offered through *The Register-Guard*. Teachers are provided with an Environmental Awareness study guide and a Road Trips Kit (produced by LTD). This

year, NIE will focus on elementary and middle schools in the Bethel, Eugene 4J, and Springfield School systems.

WINTER TRANSPORTATION CONFERENCE

Planning has begun for the Winter Transportation Conference to be held in Portland February 19-21, 2003. Conference sponsors are the Transportation Alternatives Group of Oregon (TAGO), Washington State Rideshare Organization (WSRO), Oregon Department of Environmental Quality (DEQ), Oregon Department of Transportation (ODOT), City of Portland, and Tri-Met.

TRANSIT OPERATIONS

Mark Johnson, Director of Transit Operations

EMERGENCY PREPAREDNESS

Transit Operations staff have been participating in regional emergency management exercises during the past several months. Transit Services Manager Rob Montgomery has been serving on the regional committee that has been meeting to coordinate efforts in the event of a catastrophe. The most recent exercise that LTD staff participated in was a simulated bomb detonation at the Kinder Morgan fuel storage facility near Prairie Road. This was a valuable exercise that helped all parties understand their role in the event of a major terrorist incident. LTD also has participated in an airport exercise that simulated a plane exploding, with multiple injuries. LTD is an important part of the emergency management team in the area, and working with the other emergency responders has been a benefit to all.

THREAT AND VULNERABILITY ASSESSMENT

Staff have been meeting to evaluate LTD's current security policies and procedures to ensure that the District is providing a safe environment for all employees and guests. LTD is in the process of awarding a contract for an independent evaluation of policies, procedures, and equipment related to security. A third-party evaluation will help staff map out a long-term security plan for the protection of the District.

CRITICAL INCIDENT DEBRIEFING TEAM

A team of employees consisting of representatives from Transit Operations and Human Resources recently attended a critical incident debriefing training session. The purpose of creating this team is to develop the ability to better deal with employees who are involved with on-the-job incidents that have an emotional impact on them. This team has been trained and team members will be available to meet with employees to debrief critical incidents and determine what course of action is appropriate for the employee given the circumstances. Too often, the impact of incidents on employees is overlooked. This critical incident debriefing team will help LTD do a better job of supporting employees when they are emotionally affected by incidents.

MAINTENANCE

Ron Berkshire, Director of Maintenance

There is no Maintenance report this month.

FINANCE AND INFORMATION TECHNOLOGY

Diane Hellekson, Director of Finance and Information Technology

The monthly Finance and Information Technology reports are included elsewhere in the agenda packet.

HUMAN RESOURCES

David Dickman, Director of Human Resources

LABOR RELATIONS

On October 28 and 29, 2002, the Amalgamated Transit Union and Lane Transit District presented their respective cases to an arbitrator, concerning a grievance filed in December 2001. The issue concerned an employee calling in sick after having his regular day off canceled in order to provide special event services. The District and the Union are providing post-hearing briefs for the arbitrator. This is the first issue required to be submitted to an arbitrator since the approval of the current bargaining agreement. The arbitrator will provide the answer to this arbitration in mid-January 2003.

At the beginning of the current fiscal year, LTD implemented a provision in the collective bargaining agreement concerning the cost of insurance benefits provided to employees. If the HMO has a greater cost than the base plan, then employees, if they choose the HMO plan, must pay the difference in the cost. As a result of this plan requirement, the District is saving \$264,000 from the amount budgeted and adopted by the Budget Committee and the Board of Directors. Employees who elect the HMO are required to pay \$70.44 per month for their insurance coverage (or \$21.67 if they elect to enroll in an enhanced base

plan). The Union has challenged this action by the District by filing an Unfair Labor Practice (ULP) complaint with the Employment Relations Board.

A hearing on this ULP will occur in Eugene in January 2003. The Board will receive additional information as this issue continues to develop.

UNITED WAY CAMPAIGN

The LTD United Way campaign is complete, and an employee committee helped make the campaign a success. It also should be noted that several employees donated a vacation day to work at two United Way agencies in September. I would like to especially recognize Administrative Services Coordinator Susan Hekimoglu for her efforts as Campaign Chair in the past three years. She has made a big contribution to successful United Way campaigns at LTD.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: DECEMBER 2002 AND JANUARY 2003 EMPLOYEES OF THE MONTH

PREPARED BY: Jo Sullivan, Administrative Services Manager/Clerk of the Board

BACKGROUND: **DECEMBER 2002 EMPLOYEE OF THE MONTH:** Administrative Services Coordinator Susan Hekimoglu was selected as the December 2002 Employee of the Month. She was hired by Lane Transit District on July 13, 1987. She previously was selected as Employee of the Month in October 1993, and was a recipient of an Accessible Service Award in 2002. Susan was nominated for Employee of the Month by a co-worker who appreciates Susan's efforts and commitment to organize LTD employees to participate in the United Way Day of Caring. Susan was selected for this award because of her daily efforts and commitment, for fifteen years, to helping make LTD a successful organization. Susan has a reputation for being willing to put in the extra effort whenever it is needed and for being able to maintain a positive attitude even in difficult situations.

In support of Susan's nomination for Employee of the Month, Administrative Services Manager Jo Sullivan said:

In addition to Susan's involvement in the United Way Day of Caring, she also has been one of the key participants in LTD's in-house United Way campaign for years and contributed a lot of effort and creativity. She arranges school tours of the Glenwood property and does a great job of telling children all about LTD in a fun way. Most importantly, this past year she took over the new responsibility of providing in-house assistance to Terry Parker and the accessible services program. Susan eagerly jumped in with both feet to learn about the program and get to know the Special Transportation Committee members and others involved with the accessible services program throughout the county. She has been a great help in the successful transition of the program from LCOG to LTD. These all are examples of Susan's willingness to help wherever needed, her giving heart, and her eager participation in all aspects of LTD. She truly has made a difference in a time of change, and has demonstrated once again her high standards for excellence in guest service and her

commitment to LTD. It gives me great pleasure to know that Susan was selected as the Employee of the Month.

January 2003 Employee of the Month: Lead Guest Service Representative Mike Rojas has been selected as the January 2003 Employee of the Month. Mike was hired by the District in December 1999 as a guest service representative. He earned an award for excellent attendance in 2001. Mike was nominated for this award by a guest who had called the Guest Service Center to obtain some information. The guest stated that "Mike was very precise, accurate, direct, forthright, detail-specific, and well mannered. Mike executed the presentation of information in a quick, efficient, and organized manner." The guest appreciated Mike's "command of what customer service is all about."

When asked to comment on Mike's selection as Employee of the Month, Eugene Station/Security Manager Rick Bailor said:

Mike is a great employee. He is helpful to the GSC staff, as well as to our guests. Mike's greatest asset is his friendliness. He responds to every guest he encounters in a friendly and positive manner. If someone is giving him a hard time, which is rare, his response back always includes a smile.

Our congratulations to Susan and Mike on their selection as the December and January Employees of the Month!

AWARD:

Susan and Mike will attend the December 18, 2002, meeting to be introduced to the Board and receive their awards.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

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

PREPARED BY: Jo Sullivan, Administrative Services Manager/Clerk of the Board

ACTION REQUESTED: None at this time

BACKGROUND: The action or information items listed below will be included on the agenda for future Board meetings:

- A. **Budget Committee Appointments:** The terms of three Budget Committee members will expire on January 1, 2003. Their nominating Board members will make nominations to fill those positions before budget deliberations begin in Spring 2003.
- B. **FY 2003-04 Fare Recommendation:** A presentation on the pricing plan will be made at the January 15, 2003, Board meeting. Public hearings are scheduled for February 19 and March 19, 2003. The Board will be asked to approve the pricing plan at the March meeting.
- C. **FY 2003-04 Service Recommendation:** A review of the proposed service adjustments will be held at the January 15, 2003, Board meeting. Public hearings will be scheduled for the February 19 and March 19, 2003, regular Board meetings. The Board will be asked to approve the final service package at the March 19 meeting.
- D. **Fleet Building Expansion:** As the fleet building expansion project gets underway, staff will schedule a presentation on the project for the Board at a future meeting, possibly in January 2003.
- E. **Springfield Station Design and Budget:** The Board approved a conceptual site plan for the new Springfield Station at its March 20, 2002, Board meeting. A final project design and budget will be brought to the Board for approval at a future meeting.
- F. **Accessible Services Report:** A presentation on accessible services will be scheduled for the fall of each year. This year's report is scheduled for January 13 or 15.

- G. **Commuter Solutions Report**: A presentation on the Commuter Solutions program also will be scheduled during the fall of each year. This year's report is scheduled for January 13 or 15.
- H. **Springfield Station Art Selection**: A recommendation from the Springfield Station Art Selection Committee will be presented to the Board for a decision at the January 15, 2003, Board meeting.
- I. **BRT and Springfield Station Updates**: Various action and information items will be placed on Board meeting agendas during the design and implementation phases of the bus rapid transit and Springfield Station projects.



LTD General Manager's Report

November - December 2002

Prepared by Ken Hamm, General Manager

Future Dates to Remember

January 13, 2003	Board Work Session (tentative)
January 15, 2003	Regular Board Meeting
February 17, 2003	Presidents' Day – normal evening reserved for Board Work Session
February 19, 2003	Regular Board Meeting
March 2-5, 2003	United Front in Washington, D.C.
March 9-12, 2003	APTA Legislative Conference, Washington, D.C.

Internal Activities

Team LTD Meetings

Four team meetings were held over two days in different parts of the LTD complex and at differing times. Director of Maintenance Ron Berkshire brought employees up to speed on procurement status of the bus rapid transit and fixed-route vehicles. Facilities Services Manager Charlie Simmons and Planning Technician Joe McCormack updated attendees on the design features proposed for Springfield Station. I acknowledged some employees for special efforts. Items collected at the APTA Expo were given as prizes.

BRT Vehicles

LTD has made a request to the Federal Transit Administration for a testing waiver on the Phileas vehicles. The manufacturer, APTS, is providing LTD with a summary of the testing protocols that are done in the Netherlands, to provide support for LTD's federal request.

Jeanette Bailor, Ron Berkshire, and I also completed a videoconference with APTS to establish the foundation for procurement discussions. Antoon Verleg, CEO, and Ruud Bouwman, lead engineer, of APTS were in Eugene on November 20-22 for procurement discussions. Determination of changes to the Phileas to meet federal safety standards and other equipment specification issues were a focus of discussions. Other matters, like delivery bonds, time schedules, and technical training/support, were also focuses.

Strategic Planning

The Leadership Council, with Senior Strategic Planner Lisa Gardner's coordination, continues to prepare and refine a strategic plan based on discussions with Board members at the Board's December 5-6 retreat. Staff plans are targeting a draft presentation in the Board study session in January.

External Activities

Meetings of Note

- 10-18 I met with Eugene City Councilor Nancy Nathanson.
- 10-28 Government Relations Manager Linda Lynch and I met with Fred Hanson, Tri-Met general manager, regarding the 2003 Oregon legislative session.
- 11-04 Director of Development Services Stefano Viggiano and I met with Jim Carlson and Kurt Corey of the City of Eugene and Randy Bergen and Jim Wiley of EWEB regarding the undergrounding of utilities on a portion of Franklin Blvd.
- 11-06 Board Vice President Gerry Gaydos and I met with PeaceHealth CEO Alan Yordy regarding BRT funding and project status.
- 11-14 CEOs from the University of Oregon, the Cities of Eugene and Springfield, Lane County, the local school districts, EWEB, and transit gather twice a year to discuss legislation, election outcomes, regional issues, and more.
- 11-15 Stef and I met with Arlie and Company representatives to discuss the BRT application their property north of the Sacred Heart Riverbend Hospital site.
- 11-21 I facilitated a meeting between the APTS representatives, Kay Toolson at Monaco Coach, Jack Roberts of the Metro Partnership, and Bob Warren, Oregon Department of Economic Development. APTS would like to build the Phileas in Lane County.

Chamber Business Expo

LTD participated in the Expo this year with a booth on BRT. Public awareness of the project appears to be good and growing. Staff handed out a survey to Expo attendees. The results are attached to this report.

Oregon Transportation Conference

The OTC held on October 28-29 was a very good conference. Linda Lynch was the program chair for the conference and did a superb job. Connie Williams also played a role in developing the TDM program sessions. LTD staff made several key presentations.

United Way

Ed Baker and Susan Ban made a presentation on United Way to LTD's Leadership Council on November 5. Steve Rayack from the HR Department chaired LTD's drive this year. The drive was very successful, increasing LTD's participation from 14 percent of the employees last year to 26.5 percent this year, with contributions totaling \$21,548.

On November 14th I became a United Way board member.

Attachment: Business Expo 2002 Survey Results

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: LTD LOCAL ACTIVITY PARTICIPATION

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: Discussion of Priorities/ Direction to Staff

BACKGROUND: LTD historically has participated in many community activities. Participation has ranged from small donations with values of less than \$25 (example: donation of a monthly bus pass) to sponsorship of activities that total more than \$1,000 (example: table sponsorships at annual dinners).

Last year, with resources diminished as a result of the economic downturn, LTD management cut participation levels to almost nothing. The Board has asked staff to define those activities in which LTD Board members and staff have participated during recent years. There is a sense that LTD should not abandon participation in these activities. A discussion should occur about which activities maintain the partnerships that are critical to the community's and LTD's success in the future.

Since the smaller donations of marketing items, such as passes, appear not to be in question, a list of the community activities is presented here for the Board's consideration. Following are the activities in which LTD has participated during the past few years:

Asian Celebration Sponsor	Centro Latino Annual Dinner
Eugene Celebration Sponsor	Eugene Chamber Annual Dinner
Eugene Library Promotions	Fiesta Latina Sponsor
Filbert Festival Sponsor	Human Rights Commission Dinner
Joint Chamber Golf Tournament	LCOG Annual Dinner
NAACP Annual Dinner	Springfield Christmas Parade
Springfield Chamber Annual Dinner	Springfield Chamber /UO Alumni Auction

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: WORK SESSION DISCUSSION: NEW STARTS VS. BUS CATEGORY FUNDING FOR BRT, PHASES II AND III

PREPARED BY: Linda Lynch, Government Relations Manager

ACTION REQUESTED: None

BACKGROUND:

The purpose of this discussion is to inform the Board about the issues that need to be resolved in order to determine which category of federal funding should be pursued for future phases of BRT.

It is hoped that these issues will be addressed in the next authorizing bill. LTD will describe its preferred policy choices to Congressional staff, to members of Congress, to the American Public Transportation Association (APTA), and to the Federal Transit Administration (FTA), but whether this is successful will not be known until the bill is marked up.

What does “exempt” mean? Under the current law, projects under \$25 million (federal share) are “exempt” from the rating process required in the New Starts category. However, the project justification analysis is the only part of the New Starts process that is not part of the current “under \$25 million” subcategory process. Project oversight, financial oversight, and procurement oversight are still part of the “exempt” project’s process. The biggest downside under the current law to having an exempt project is that it will not be rated and will not be included in the Administration’s recommended budget.

What would constitute “streamlining” and how long would it take to achieve it? LTD has proposed, APTA has concurred, and both the Administration and Congressional leaders agree that the process must be streamlined as a way to get projects completed more quickly. For Congress and the Administration, this means all projects. The industry is willing to focus on smaller projects.

It is likely that if Congress mandates that the FTA amend its regulations to streamline the requirements for small

projects, it would take FTA one to two years to complete the rule-making. If, at the same time, projects are funded through the appropriations process in the first years of the bill, an LTD BRT project would be caught in the regulations of the current bill.

Local match? Is the federal/local match likely to remain 80/20 in bus category and go to 50/50 in New Starts? And, would the 80/20 apply to a BRT project if it is funded in the bus category?

Multi-year grant agreements in the bus category. This is a good idea whose time has come, but it is not yet a reality. Will full-funding grant agreements in the bus category be written into the new bill?

When does this decision have to be made? This decision probably needs to be made by the end of January, in concert with Congressman DeFazio and his staff.

ATTACHMENT:

Pros and Cons for Funding Next Phases of BRT in New Starts vs. Bus Category

PROPOSED MOTION:

None

Pros and Cons for Funding Next Phases of BRT in New Starts vs. Bus CategoryNew Starts—Pros

- Assumes project is to be rated
- More money in the pot
- Multi-year grant agreement (FFGA) could make spending the funds more achievable or rational
- Becomes part of Administration's recommended budget; 85 percent of eventual budget reflects FTA priorities. (Project is not in budget recommendations if the project is not rated.)
- Technical assistance is available

New Starts—Cons

- Lots of oversight, with associated time delays:
 - Project management oversight
 - Financial management oversight
 - Procurement management oversight
- Very bureaucratic
- Long list of applications; funds are oversubscribed

Bus Category—Pros

- Less FTA oversight (unless a FFGA can be secured)
- If no FFGA, may not need to know total budget up front
- Project could change more over time without an FFGA
- Local control over project schedule and timeline
- More straightforward, less complicated process than New Starts, resulting in lower up-front costs

Bus Category—Cons

- Three-year limitation on expenditure
- There has been no rating process in the past; therefore, no bus projects are in Administration's recommended budget
- BRT project authorized in bus category would compete with and limit future appropriations for other needs
- BRT projects would be substantially larger than the majority of other earmarks in this category

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: SECTION 5311-f INTERCITY GRANT FUNDS

PREPARED BY: Terry Parker, Accessible Services Manager
Lisa Gardner, Senior Strategic Planner

ACTION REQUESTED: (1) Hold a public hearing on the grant application & award
(2) Approve grant award

BACKGROUND: Through its Special Transportation and Commuter Solutions programs, LTD has applied successfully to the Oregon Department of Transportation Public Transit Division for funding to be used to support intercity travel for rural communities. By offering technical assistance to small communities within Lane County, LTD has been able to assist with the development of rural services for communities both inside and outside the District's direct service area. Florence and Cottage Grove currently receive federal 5311 Small City and Rural Area operational grants administered through LTD. This new intercity funding will support a two-year project to connect Oakridge and the Eugene-Springfield area with public transit.

The grant request and subsequent award is for \$69,915 in the first year and \$72,952 in the second year of the project. Funds from the Special Transportation Fund for the Elderly and Disabled designated for Oakridge make up the majority of the required local matching funds. Support from Commuter Solutions contributes expertise in vanpool and other commuter travel strategies. The combining of funding sources that maximize the use of vehicles and coordinates service across social, work, job training, medical, and other community transportation needs was important to the success of the proposal. The joining of Special Transportation and Commuter Solutions programs was praised as an opportunity to develop innovative and resourceful transit solutions for rural communities. There will be an opportunity to reapply for funding at the completion of the two-year project.

Special Mobility Services (SMS), as the operator of the Oakridge service, which now is available only to the elderly and people with disabilities, will work with LTD and the City of Oakridge to design and operate services that better integrate and meet the transportation needs of Oakridge and Westfir residents.

ATTACHMENT: None

PROPOSED MOTION: I move the following resolution:

LTD Resolution No. 2002-038: It is hereby resolved that the LTD Board of Directors approves the FY 2003 and FY 2004 Section 5311-f Intercity Program grant award for \$142,867 in federal funds for the creation of public transportation connections between Oakridge and the Eugene-Springfield area in accordance with the proposal submitted on September 3, 2002, and approved by the Oregon Department of Transportation Public Transit Division.

AGENDA ITEM SUMMARY

- DATE OF MEETING:** December 18, 2002
- ITEM TITLE:** ORDINANCE 36 REVISION
- PREPARED BY:** Mark Johnson, Director of Transit Operations
- ACTION REQUESTED:** Hold the second reading of LTD Ordinance 36, 2002 Revision, and adopt the revised ordinance
- BACKGROUND:** Under Oregon law, LTD can pass, by ordinance, legally-binding restrictions that govern behavior on buses and at bus stations, bus stops, and shelters. Ordinance 36 is the ordinance that governs behavior on the LTD system. This ordinance includes restrictions on activities that can take place at the Eugene Station. In part as a result of the recent Court of Appeals decision striking down portions of the existing ordinance, staff, together with legal counsel, have reviewed Ordinance 36 in an effort to ensure the protection and promotion of the safety and convenience of District patrons.
- Staff recommended limiting access to certain District property to District patrons, employees, and those transacting District-related business. Our goal is to avoid a repetition of the public safety problems experienced by the District at its prior downtown Eugene station.
- The Board may vote to read the ordinance by title only. Extra copies of the entire ordinance will be available at the meeting for anyone who wishes a copy.
- ATTACHMENT:** Lane Transit District Ordinance 36, 2002 Revision (redline revised version and “clean” revised version)
- PROPOSED MOTIONS:**
- (1) I move that Ordinance 36, 2002 Revision, be read by title only.

Following an affirmative vote, the title should be read:

**“Lane Transit District Ordinance 36, 2002 Revision,
Regulations Governing Conduct on District Property”**
 - (2) I move approval of the following resolution: LTD Resolution No. 2002-039: “It is hereby resolved that the LTD Board of Directors adopts LTD Ordinance No. 36, 2002 Revision, as presented on December 18, 2002.”

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

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 provided for the Board's information. The October 2002 performance reports are included in the agenda packet. The November 2002 performance reports will be distributed at the December 18 Board meeting.

Staff will be available at the meeting to respond to any questions the Board may have.

ATTACHMENTS: October 2002 Performance Reports
(November 2002 Performance Reports to be available at meeting)

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** December 18, 2002
- ITEM TITLE:** BRT PIONEER PARKWAY – SOUTH SEGMENT
- PREPARED BY:** Stefano Viggiano, Director of Development Services
- ACTION REQUESTED:** Approve a preferred design for the south segment of the Pioneer Parkway BRT corridor.
- BACKGROUND:** Staff have been proceeding with the design of the Pioneer Parkway corridor on a segment-by-segment basis. The corridor has been divided into three planning segments. Preliminary design work has been completed on the south segment (downtown Springfield to Hayden Bridge Road). A stakeholder group worked with LTD and Springfield staff to consider various options and to identify a preferred design for that segment. On November 5, 2002, the BRT Steering Committee reviewed the stakeholder group recommendation and endorsed it unanimously.
- The Board is asked to approve the recommended design as the “preferred” design for this corridor segment. This action is by no means final, as additional engineering work, public comment, environmental review, and partner agency approvals will be required before the design finally is approved. Other designs will remain as options through this process. However, by identifying a preferred design, the Board is providing some direction to staff and to the public on their current preference for the corridor.
- Included as an attachment is the material reviewed by the BRT Steering Committee regarding this issue.
- ATTACHMENT:** BRT Steering Committee material from November 5, 2002, meeting.
- PROPOSED MOTION:** I move the following resolution:
- LTD Resolution No. 2002-042: Resolved, that the LTD Board of Directors approves the recommended design for the Pioneer Parkway South Segment BRT corridor as the preferred design for that segment.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: SPRINGFIELD STATION UPDATE

PREPARED BY: Charlie Simmons, Facilities Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: The Springfield Station design is proceeding on schedule. The Springfield Design Review Committee met on October 23 to review the design for the bioswales, the landscape plan, and a cross-section of the platform shelter. The Committee had questions and comments but enthusiastically endorsed the direction of the design. LTD will submit an application for site review on November 19. The site review process is the precursor to applying for building permits.

The Art Selection Committee convened on October 17 and reviewed all the submitted art proposals. The Committee recommended that three of the proposals move forward in the selection process. The committee met on December 11 to further evaluate the remaining three proposals. At the January 15, 2003, LTD Board meeting, the Board will be asked to take action on the Art Selection Committee's recommendation.

Property acquisition is in process, with legal descriptions completed for two of the three properties. The appraisal for the Union Pacific property has been completed and staff have requested access to the Union Pacific property to complete a Level II environmental site investigation. This on-site work must be completed before property acquisition can be finalized.

ATTACHMENT: None

MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: TRANSITION TO TRANSPORTATION MANAGEMENT AREA STATUS

PREPARED BY: Lisa Gardner, Senior Strategic Planner

ACTION REQUESTED: None. Information only.

BACKGROUND: As a result of the 2000 census population numbers (224,049), the Eugene-Springfield metropolitan area has surpassed the 200,000 population threshold for the federal designation Transportation Management Areas (TMA). TMAs have different federal requirements pertaining to the metropolitan planning organization (MPO) functions. The Lane Council of Governments (LCOG) functions as the Eugene-Springfield MPO, and currently delegates some MPO planning policy-making responsibility to the Metropolitan Policy Committee (MPC). As part of the TMA transition, the LCOG Board will delegate additional MPO-related responsibilities to the MPC.

At its September meeting, the MPC received background materials describing the TMA transition process, as well as the additional MPO responsibilities being delegated to MPC by the LCOG Board. The LCOG Board passed a resolution to delegate the additional responsibilities at their October 24, 2002, meeting. The MPC will be asked to agree with the LCOG resolution at the December 2002 MPC meeting, which will result in changes to both the LCOG bylaws and the MPC bylaws.

ATTACHMENTS: September MPC Background Materials on TMA transition

MOTION: None

Executive Summary

Evaluation of United Front: "Federal Priorities for Lane County, Oregon 2002"

Background: In the Spring of 2002 after returning from an advocacy trip to meet with Oregon's Congressional delegation, partners in the Lane County "United Front" (UF) coalition, at the behest of their boards and elected leadership, undertook an evaluation of the "united front" effort. The evaluation was focused on major components of the collaborative lobbying effort, including:

- Timing, duration, content, and logistics of annual United Front trip
- Appropriate size and composition of advocacy delegation
- Development of appropriate projects for inclusion in UF
- Value of support from Washington-based lobbying resource
- Content and value of UF project documentation
- Sufficiency of pre- and post-trip activities

No formal evaluation of the coalition appeal to federal funding sources had been initiated in several years. Furthermore, at least one UF partner indicated an interest in exploring other lobbying support options, possibly through a competitive bid process in the near future.

As a basis for the evaluation, the UF partners developed and distributed a 15-item questionnaire to decision makers and stakeholders in the UF process. The survey instrument was sent to 32 individuals in early summer. After a reasonable interval, 16 responses were received, many of which included a substantial amount of narrative commentary. The results were then tabulated and organized by staff.

The following summarizes the survey responses. The complete survey responses are available upon request through your intergovernmental relations manager.

Timing, Duration... Overall, the respondents expressed general satisfaction with the trips of recent past, including a late February/early March schedule. Respondents generally found the meetings to be

productive, and believe they are talking to appropriate contacts in many cases. Some believe a follow-up trip later in the budget development cycle would be helpful, but the need to orchestrate that trip through the United Front process is not strong. In general, respondents would prefer having more time with key staff and members, but believe the annual trip is a solid foundation from which other meetings can be generated. No clear preference was expressed for either a breakfast (previous years) or an after-hours reception (2002 trip).

Size, Composition... In general, the mix of elected officials, board members and staff seemed to be acceptable to most respondents. Some interest was expressed in taking a smaller contingent to Washington – perhaps limiting each jurisdiction to just one elected or board member. Other suggestions included sending staff to Washington on a trip separate from electeds and board members. Some respondents expressed an interest in meetings that are more focused and intimate, rather than the large “hallway” meetings that sometime serve as forum for interacting with Congressional staff. It is possible that this could be achieved with a smaller local delegation.

Appropriate Projects... Responses were mixed, with some favoring continuation of the current process for developing projects, and others calling for a different approach. In particular, there is some appetite for an early Fall meeting with the D.C. lobbyists to have more in depth discussions about the needs in Lane County and the funding opportunities that may be available in the coming funding cycle.

Value of Support... Responses were generally favorable about the value of the support provided by the incumbent firm that supports the United Front appeal. Congressional staff were complementary of the help they receive from the contract lobbyists. Continuing to evaluate the UF effort, including lobbying support, on a regular basis seems to have broad support.

Value of the Book... The United Front master document received generally high marks from respondents. Other jurisdictions have adopted it as a prototype for their appeal to federal funding sources. Some respondents expressed interest in creating a more condensed derivative of the UF book as handouts for meetings with staff in D.C.

Pre- & Post-Trip... General consensus was that the planning and debriefing that goes into the UF effort is sufficient. Suggestions for improvement

included a project development meeting in the fall; more outreach to Oregon-based congressional staff before the trip; and more timely conveyance of follow-up and thank you letters after the trip.

AGENDA ITEM SUMMARY

DATE OF MEETING: December 18, 2002

ITEM TITLE: WACKENHUT EMPLOYEE OF THE YEAR

PREPARED BY: Mark Johnson, Director of Transit Operations

ACTION REQUESTED: None

BACKGROUND: Wackenhut Corporation has a had a security contract with LTD for the past two years. Ed Fowler, who is the on-site manager and supervises the other officers for the LTD contract, has been named the Oregon employee of the year by the Wackenhut Corporation. Wackenhut has several other contracts that are managed from the Portland office. This recognition is a huge accomplishment for Ed.

Ed has supervised the LTD contract from the beginning and has done a great job of combining excellent guest service with security needs. He is often seen assisting elderly and disabled guests as much as dealing with problem people. He has a very gentle approach but has been a real asset to the security program.

Ben Blair, Ed's immediate supervisor, said that he is very proud of the job that Ed has done with the LTD contract. Employees willing to really take ownership of a contract like Ed has done are rare. Ben said he can think of no one more deserving than Ed for this award.

We congratulate Ed for this honor.

ATTACHMENT: A plaque and check will be provided for the Board presentation.