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LANE TRANSIT DISTRICT REGULAR BOARD MEETING

Wednesday, February 18, 2004
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 _____ Wylie _____

Ban _____ Gant _____ Gaydos _____

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

- | | | |
|------|-----------------------------------------------------------------|----|
| III. | PRELIMINARY REMARKS BY BOARD PRESIDENT | |
| IV. | ANNOUNCEMENTS AND ADDITIONS TO AGENDA | 04 |
| V. | BOARD CALENDARS (5 minutes) | 05 |
| VI. | WORK SESSION | |
| A. | Commuter Solutions Presentation (20 minutes) | 06 |
| B. | 2004-05 Pricing Plan Discussion (15 Minutes) | 13 |
| C. | Prepare for Joint Meeting with Eugene City Council (20 minutes) | 24 |

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

- | | | |
|------|------------------------------------------------------|----|
| VII. | EMPLOYEES OF THE MONTH – February and March 2004 | 37 |
| A. | February: Gaylene Shrope, Bus Operator | |
| B. | March: Steve Parrott, Information Technology Manager | |

VIII. AUDIENCE PARTICIPATION

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

IX. ITEMS FOR ACTION AT THIS MEETING

- A. Consent Calendar 39

- 1. Minutes of January 21, 2004, Regular Board Meeting (Page 40)

- B. FY 2004-05 Service Proposal – Preliminary Public Hearing (20 minutes) 51

- 1. Staff Presentation
- 2. Opening of Public Hearing by Board President
- 3. Public Testimony

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

- 4. Closure of Public Hearing

- C. Martin Luther King Jr. Parkway Design (10 minutes) 52

- D. Salaried Employee Retirement Plan Amendment (5 minutes) 53

X. ITEMS FOR INFORMATION AT THIS MEETING

- A. Current Activities

1. Board Member Reports (respond if questions) 55

(a) Meetings Held

- (1) Board BRT Committee – January 28 meeting; and BRT Steering Committee – February 3 meeting
- (2) Board Committee on Joint Development – February 6 meeting
- (3) Board Finance Committee – February 11 meeting
- (4) Metropolitan Policy Committee – February 12 meeting

(b) No Meetings/No Report

- (1) Board Service Committee
- (2) Springfield Station Design Review Committee
- (3) Board Human Resources Committee
- (4) Region 2050 Policy Advisory Committee
- (5) Statewide Livability Forum

	<u>Page No.</u>
2. General Manager's Report (respond if questions)	58
3. RideSource Facility Update (10 minutes)	60
4. Monthly Financial Report— January 2004 (5 minutes)	64
5. BRT Update (respond if questions)	65
6. Springfield Station Update (respond if questions)	67
B. Monthly Department Reports (respond if questions)	68
C. Monthly Performance Reports (respond if questions)	75
XI. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING	76
A. Public Relations Plan	
B. Bus Advertising Policy	
C. FY 2004-05 Annual Route Review/Service Recommendations	
D. FY 2004-05 Pricing Plan	
E. Joint Meetings with City Councils	
F. LTD Budget Committee Meetings	
G. BRT and Springfield Station Updates	
XII. ADJOURNMENT	

Alternative formats of printed material and or 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).

AGENDA ITEM SUMMARY

- DATE OF MEETING:** February 18, 2004
- ITEM TITLE:** ANNUAL ROUTE REVIEW – 2004 SERVICE PROPOSAL
- PREPARED BY:** Andy Vobora, Service Planning and Marketing Manager
- ACTION REQUESTED:**
- (1) Hold a preliminary public hearing.
 - (2) Discuss and direct staff regarding the final service proposal to be adopted at the March 17, 2004, meeting.
- BACKGROUND:**
- Staff were given a 3 percent target for service reductions for 2004-05. At the meeting, staff will present a prioritized list of service cuts that meet or exceed this target.
- Included as a separate document with the Board packet is a copy of public testimony provided to date. This testimony was gathered through the following means:
- ◆ *Bus Talk* newsletter input form
 - ◆ Input form in the winter *Rider's Digest* Update
 - ◆ E-mail responses
 - ◆ Web site response forms
 - ◆ Letters submitted by mail
 - ◆ Input forms gathered at an open house and the Springfield Business Expo at the Gateway Mall
- RESULTS OF RECOMMENDED ACTION:**
- Staff will continue with additional analysis and prepare revised materials for the February 26 open house. A final proposal will be developed and presented to the Board on March 17.
- ATTACHMENT:** None
- PROPOSED MOTION:** None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: WORK SESSION: 2004-05 PRICING PLAN DISCUSSION

PREPARED BY: Andy Vobora, Service Planning and Marketing Manager

ACTION REQUESTED: Discuss and direct staff regarding possible pricing plan and fare policy changes.

BACKGROUND: The Board Finance Committee reviewed potential changes to the District's pricing plan and fare policy at their February 11, 2004, meeting. Previous discussions led to a decision to maintain the base cash fares, token prices, and pass prices for 2004-05. As discussions of service cuts and administrative cuts have continued, staff suggested that there may be possible changes to LTD's fare discount programs that would yield additional revenue and reduce administrative costs.

Attached you will find the background documents provided to the Finance Committee. Committee members will lead a discussion about these proposals and staff will provide additional background as requested.

RESULTS OF RECOMMENDED ACTION: Staff will prepare a formal pricing plan proposal and return to the Board in at the March meeting. Public hearing notices and other public information will be distributed to inform LTD guests of changes and provide a listing of opportunities to testify about the proposal.

ATTACHMENTS: Revenue Opportunities Summary
Pricing Plan
Fare Media Discount Chart

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

2

DATE OF MEETING: February 18, 2004

ITEM TITLE: JANUARY FINANCIAL STATEMENTS

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

ACTION REQUESTED: None

BACKGROUND: Financial results for the first seven months of the 2003-2004 fiscal year are summarized in the attached reports.

Passenger fares trail prior year by 8.1 percent for the first seven months of the current year. The drop in this resource is primarily due to the implementation of a group pass program for Lane Community College beginning with the fall term. To more appropriately track revenue performance versus current-year budget, \$340,000 in passenger fare budget appropriation has been transferred to the group pass appropriation. Group pass revenues also were bolstered by an increase in revenue from the ASUO group pass contract. Ridership for the rolling 12-month period, which ended January 31, is down by 3.3 percent, a continuation of the slight improvements reported in each of the previous six months. Weekday and Sunday ridership both improved, while Saturday numbers fell in January.

Due to the terms of the newly revised advertising contract with Obie Media, which determines payments based on adjusted sales with no guarantees, advertising revenue will be booked a month later than under the previous agreement. The payment for December totaled \$16,000, which is substantially lower than the previous monthly guarantee. The proposed payment for January is slightly more than \$9,000, a calculation that has been questioned by staff. The Finance Committee has recommended that LTD take the advertising contract back out for bid at the conclusion of the contract period currently under discussion. If the potential value to LTD has, in fact, dropped to less than \$100,000 per year, the option to discontinue advertising should also be reconsidered.

Payroll tax revenues are up 4.5 percent versus last year, in part due to the taxpayer refund of more than \$500,000 that occurred in November 2002 that affects the comparison. Seven-month payroll tax receipts are now ahead of year-to-date budget by \$11,000. Payroll tax receipts were budgeted at last year's actual level, and there continues to be cautious optimism that this goal will be achieved by year end. The issue regarding a payroll tax refund granted

to a major taxpayer last fall and appealed by LTD in State Tax Court remains unresolved. Both parties to the dispute argued motions for summary justice (MSJ) to the Tax Court on July 21, 2003. There is no date by which a decision is guaranteed.

Self-employment receipts coincide with State tax payment deadlines, none of which occurred in January, and no revenue was received. State-in-lieu funds remain ahead of last year by 3.3 percent and lag year-to-date budget nominally. This resource is expected to meet budget by fiscal year end. October through December receipts were strong, up nearly 5 percent over the same quarter last fiscal year.

Total personnel services expenditures, the largest category of operating expense, showed a positive growth of 3.6 percent through January, up from 3 percent reported last month. As previously noted, the use of contra accounts to charge administrative wages to capital projects has increased. The use of contra accounts is appropriate in order to track and record the true cost of capital projects, and, in the short term, helps reduce operating expenses. In the longer term, though, it understates the true cost of doing business because there are permanent positions currently assigned to capital projects either full time or on a part-time basis that will not terminate when the projects are completed, and will, therefore, increase operating expense at the conclusion of the projects. ATU wages grew 4.7 percent.

Total materials and services are 1.5 percent higher for the first seven months of this year as compared to last, an increase driven by insurance costs. Please note that the transfer to the Special Transportation Fund activity is only through December. In fact, January information has not been received for Special Transportation Fund activity, so no accruals have been posted as yet. Insurance is up due to a significant increase in workers' compensation coverage.

Fuel prices also contributed to the increase in materials and services expenditures. Fuel was budgeted at \$.93 per gallon, but the actual price has fluctuated and remains above \$.94 per gallon, again slightly higher than was reported last month. Fuel prices appear to be inching upward in contrast to the downward move expected. The most recent fuel purchase was at \$1.0648 per gallon.

Overall, the General Fund's financial position is stable through the first seven months of FY 2003-2004, and as anticipated by the current-year plan.

Special Transportation Fund expenses are as anticipated through December. As noted earlier, there is currently a reporting lag of one month for this activity. Please note that there is approximately \$250,000 in transfer to special transportation fund appropriations in the current year that will not be required due to the maintenance of state funding at previous levels. Board members may be asked to reallocate the excess appropriation at a future meeting. Reallocation requires Board approval.

Capital Projects Fund activity also was as expected. The Springfield Station project continues on schedule and has cost \$2.4 million through January. LTD acquired the proposed land parcel for the new RideSource facility, and other possible future uses, on January 8, 2004, at a total cost of \$1.3 million, as was expected.

Work has begun in earnest on the proposed FY 2004-2005 budget, which will be delivered to the Board and citizen members of the Budget Committee in April. The Budget Committee is scheduled to meet on April 28 and 29. In unrelated news, the Board will be asked to award a new contract for independent audit services at the May 19, 2004, meeting.

ATTACHMENTS:

Attached are the following financial reports for January 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

AGENDA ITEM SUMMARY

2

DATE OF MEETING: February 18, 2004

ITEM TITLE: JANUARY FINANCIAL STATEMENTS

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

ACTION REQUESTED: None

BACKGROUND: Due to a Finance Committee request on February 11 for a full Board work session in advance of the regular February monthly meeting requiring unanticipated preparation work, and to staff illness, the January financial report was not completed in time for inclusion in this packet. The full report will be handed out at the beginning of the work session on February 18.

ATTACHMENTS: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

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: February 18, 2004

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:

MEETINGS HELD

1. **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. The three-member Board BRT Committee met on January 28 to discuss the MLK Junior Parkway design. The BRT Steering Committee met on February 3, 2004, and discussed the Coburg Road study and the MLK Junior Parkway issues. Board member Pat Hocken attended the meeting. The next meeting of the Steering Committee is scheduled for March 2, 2004.
2. **Board Committee on Joint Development:** The Board recently named Gerry Gaydos, Pat Hocken, and Dave Kleger to an *ad hoc* Board Committee on Joint Development. The Committee met on February 6, 2004, to review a draft joint development policy and suggested several changes. Staff will send Committee members a revised policy for review. It is expected that the policy will be considered by the full Board in March or April of 2004.
3. **Board Finance Committee:** The Board Finance Committee (Pat Hocken, chair; Gerry Gaydos; and Virginia Lauritsen) met on February 11, 2004, to review revenue opportunity options and financial forecast scenarios, and to consider the Request for Proposal (RFP) process for independent audit services. A new independent audit services contract must be awarded no later than the May 19, 2004, Board meeting.

4. **Metropolitan Policy Committee**: LTD's MPC representatives are Board members Hillary Wylie and Gerry Gaydos, with Pat Hocken as an alternate. MPC meetings generally are held on the second Thursday of each month. At the February 12, 2004, meeting the MPC agenda included four MPO issues:
 - a. FY05 Unified Planning Work Program – federal and local agency staff are in the process of updating the Unified Planning Work Program, which is an annual document listing the transportation studies and tasks performed by the MPO staff and local agencies, including LTD, during a given fiscal year. MPC received an overview of the update process and opened the Public Comment period in anticipation of the scheduled March plan adoption.
 - b. Draft 06-09 STIP Project Priorities – local agency staff have developed a proposed project priority setting process for the FY 2006-2009 STIP. LCOG staff provided an overview process for developing the Central Lane MPO STIP priorities. MPC provided feedback on the process, and opened the public comment period.
 - c. MPC Letters of Support for United Front Reauthorization Earmark requests – Every year, in support of the United Front effort, the MPC provides letters of support for individual projects of regional benefit. MPC reviewed and discussed letters of support and approved for signature by the MPC Chair.
 - d. Requirements for Integrated Land Use and Transportation Plans – MPC reviewed and discussed a joint legal opinion prepared at the request of MPC by attorneys for Lane County, Eugene, and Springfield regarding the requirements for an Integrated Land use Transportation Plan as specified in the state Transportation Planning Rule (TPR). The opinion concluded that the TPR does not require an integrated land use and transportation plan.

The next MPC meeting is scheduled for March 10, 2004.

NO MEETINGS/NO REPORT

1. **Board Service Committee**: LTD's new Board Service Committee consists of Dave Kleger, chair; David Gant; and Pat Hocken. The Committee's first meeting was held on January 16. A brief summary of the Committee's discussion will occur during the 2004 Annual Route Review agenda item at the January 21 Board meeting.
2. **Springfield Station Design Review Committee**: Board members Dave Kleger, Virginia Lauritsen, and Hillary Wylie participate on the Springfield Station Design Review Committee with local community representatives. The Committee no longer meets on a regular basis, but future meetings could be called to discuss specific issues concerning the station.
3. **Board Human Resources Committee**: The Board Human Resources Committee (Gerry Gaydos, Chair; Susan Ban; and David Gant) last met

in Executive Session on November 17 to discuss the performance evaluation of the general manager. A verbal report was made during Executive Session at the November 19 Board meeting. The committee will meet again in the future to discuss the general manager's compensation and employment contract for FY 2004-05.

4. **Region 2050 Policy Advisory Board**: Susan Ban is the Board's representative on the Region 2050 Policy Advisory Board (Policy Board). The Policy Board has not met since the December Board meeting. The next meeting is scheduled for February 25, 2004.
5. **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.

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: December 17, 2003

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None

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

- ◆ November 19, 2003, letter from Board President Hillary Wylie to the Springfield Planning Commission regarding RiverBend Master Plan and Zone Change

At the December 17, 2003, meeting, staff will respond to any questions the Board members may have about this correspondence.

PROPOSED MOTION: None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, January 21, 2004

Pursuant to notice given to *The Register-Guard* for publication on January 16, 2004, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, January 21, 2004, beginning at 4:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President, presiding
Susan Ban
David Gant
Gerry Gaydos, Vice President
Dave Kleger
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Recording Secretary

Absent: Pat Hocken, Secretary
Virginia Lauritsen, Treasurer

CALL TO ORDER - Ms. Wylie called the meeting to order at 4:40 p.m.

ROLL CALL - General Manager Ken Hamm called the roll. Mr. Gant was not yet present.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Ms. Wylie noted that Ms. Ban needed to leave the meeting at 7:15 p.m.

WORK SESSION

A. Executive Session – Ms Ban moved that the Board meet in executive session pursuant to ORS 192.660(1)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions; ORS 192.660(1)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to litigation or litigation likely to be filed, pursuant to ORS 192.660(1)(f), to consider records that are exempt by law from public inspection; and pursuant to ORS 40.225, lawyer-client privilege. Mr. Gaydos provided the second. On a vote of 4:0, the Board unanimously entered executive session at 4:42 p.m., and Mr. Gant arrived immediately thereafter. District Counsel Rohn Roberts and Land Appraiser John Brown were present for this discussion with the Board.

Return to Regular Session – Upon a motion by Mr. Kleger and seconding by Mr. Gaydos, the Board returned to open session at 5:20 p.m.

B. Long-Range Financial Plan – Assistant General Manager Mark Pangborn distributed supplemental materials that presented options for the District's updated Long-range Financial Plan. He said that the focus of the discussion would be the General Fund and the Capital Projects Fund, and the third fund, the Special Transportation Fund, which was funded in large part from the General Fund, also would be addressed at a later time. He said the decisions made about each fund were independent, but interrelated. He stated that an increase in the payroll tax rate, effective January 1, 2005, was included in each of the budget projections.

Ms. Wylie asked if a payroll tax rate increase had to go to the voters. Mr. Pangborn replied that it did not; however, voters could place an initiative petition on the ballot and therefore it was important to have an early and ongoing dialogue with the community prior to implementing any increase.

Mr. Pangborn said that budget projections included an annual expenditure growth rate of 4 percent, mostly attributable to increases in personnel costs. In response to a question from Ms. Ban, he said that personnel costs represented from 70 percent to 75 percent of the General Fund.

Mr. Pangborn said that fixed-route service levels were not sustainable under the current budget assumptions and would require a cut of \$1.8 million. Of the \$1.8 million, he said that 25 percent was administrative overhead and the remaining 75 percent was in service hours. He said that to avoid immediate substantial cuts in service, staff proposed balancing the budget over a two- or three-year period to allow time for a comprehensive service redesign.

Continuing, Mr. Pangborn said that projections included transfers from the General Fund to the Capital Projects Fund to provide the 20 percent local match for federal formula grant dollars. He said that it had been two years since a transfer was made from the General Fund to the Capital Projects Fund.

Ms. Wylie asked if it was possible to reduce full-time positions to part-time as employees retired. Mr. Hamm replied that when substantial cuts were made two years ago and service cuts were being considered, the union had expressed concern about lack of consultation, but did not realize that positions were kept vacant in order to cover the gap through attrition. He said that the union would be informed about possible budget-cutting strategies. He noted that part-time positions were guaranteed 30 hours per week and full benefits, so little savings would be realized by converting positions to part-time. Human Resources Director Mary Neidig cautioned that it was important to consult with the union in order to maintain a good working relationship. Mr. Pangborn commented that transit districts in Hawaii and Los Angeles had experienced major strikes over the same issue of lack of funds and trade-offs between increasing salaries and maintaining benefits.

Mr. Pangborn reviewed the assumptions used in all budget projections, including an increase in the payroll tax rate beginning in January 2005 and a favorable decision for LTD in the payroll tax dispute with Sacred Heart that would result in payment of back taxes and ongoing payments. He also reviewed graphs projecting LTD payroll tax receipts through 2012. He explained the three eight-year budget options presented on spreadsheets:

- Option 1 – Build the Pioneer Parkway corridor and the Coburg Road corridor, with full BRT build out. This option would require a transfer of between \$1.2 million and \$1.5 million to the

Capital Projects Fund each year and \$1.8 million in cuts to operating expenses, and would draw down operating reserves through year 6.

- Option 2 – Build the Pioneer Parkway corridor and move the Coburg Road corridor or any other future BRT project outside the eight-year budget range. This option also would require a transfer of between \$1.2 million and \$1.5 million to the Capital Projects Fund each year and \$1.8 million in cuts to operating expenses, but would balance the budget under current assumptions if the Pioneer Parkway project cost was close to estimates.
- Option 3 – Preserve the current level of service as inviolate; make no transfers to the Capital Projects Fund; and do not build the Pioneer Parkway corridor, the Coburg Road corridor, or other capital projects.

Ms. Wylie asked if the State was a source for match funds. Linda Lynch, Government Relations manager, replied that eventually approaching the Legislature might be a possibility. Mr. Pangborn agreed that those were the types of strategies LTD would need to explore, including possible use of County road funds for pieces of BRT. He said that staff were exploring the legal ramifications of these strategies in order to inform the Board.

Ms. Wylie asked what rate of growth for jobs in the community was used in the projections. Mr. Pangborn replied that the projected increases of two percent through four percent over the eight-year period combined the growth in salaries and the growth in the number of jobs, based on consultation with state economists.

Mr. Gant said his understanding was that a 24 percent reduction in fixed-route services was proposed between 2002 and 2005.

Mr. Kleger noted that the 24 percent cuts included those already made since 2002, as well as those projected through 2005.

Mr. Pangborn remarked that services were added aggressively in the 1990s, particularly in outlying areas, and the Breeze was also added, representing a 3 percent to 4 percent service addition.

Mr. Gaydos observed that of the 24 percent, some amount would be cut in a redesign of services that would not affect the overall system. Mr. Hamm said that 9 percent of the cuts already had been made during the past two years. Mr. Pangborn said that services were added in the most productive areas through extending routes and those areas would be examined to determine if productivity standards were met when identifying where cuts would be made. Mr. Hamm added that increases in service were not limited to geographic extensions, but also included extended service hours and frequency of service.

Andy Vobora, Service Planning and Marketing manager, reminded the Board that none of the budget options assumed growth in the fixed-route system. He said the system was not static and issues such as traffic and running time problems always would have to be addressed. He said if nothing was invested, the Board would have to reduce the current hours of service to provide revenue to fix problems.

Mr. Kleger commented that unavoidable costs were rising and revenue was not, traffic was getting heavier, ridership was not growing much, but travel time was getting more difficult to maintain. He said that unless funds could be found to address running time problems, the

service would deteriorate. He said if capital investments were not made, the efficiency of the system would worsen.

Ms. Wylie remarked that some cuts could be made without hurting the system.

Based on his frequent ridership, Mr. Kleger said that trimming the budget over the past two years was beginning to show on the service line. He gave as an example the increase in service hours without an accompanying increase in maintenance hours.

Mr. Pangborn asked for feedback on the budget assumptions and options and direction to staff on how to proceed.

Mr. Gant asked how the figures were generated to estimate cost of the next leg of BRT. He said it was difficult to justify cuts to the fixed-route service while implementing BRT at the same time. He asked if it was possible to look at an option that made no cuts and then decide what LTD could afford to spend. He said it was difficult to compare fully building out BRT and not implementing it. Mr. Pangborn asked if the concern was how the \$31.5 million for Pioneer Parkway was determined and what it would buy and if that figure was cut by one-half or one-quarter, what would that buy.

Mr. Gant said that it was hard to evaluate how reductions would diminish what was built and what the consequences were to the system.

Ms. Ban agreed with Mr. Gant and said the dilemma was how to evaluate the current fixed-route service; the criteria to determine what infrastructure was high priority, should BRT be implemented; and whether the future should be sacrificed for the present.

Mr. Gant said he needed a better sense of the value of fully built out BRT compared to BRT "lite."

Stefano Viggiano, director of Development Services, said the \$31.5 million estimate was based on a preliminary design of the corridor. He said that the critical issue was whether to put in an exclusive right-of-way, which was a major expense. He said for half of the estimated cost, most of the other BRT features, such as signal priority, new stations, and level boarding, could be done. He said without exclusive right-of-way, the system would function, but eventually congestion would reach a point where the other features would not work anymore.

Ms. Wylie suggested that a presentation on BRT as a system might be helpful for some of the newer Board members.

Mr. Gant agreed it would be helpful to have a better idea of what LTD would get with BRT and what it would have to give up in order to obtain it, as well as the relative values of full BRT and BRT "lite."

Mr. Viggiano noted that Board direction was to pursue a complete BRT, rather than an incremental approach to building BRT. He agreed that a review of BRT issues would be useful.

Ms. Wylie said the Board's philosophy had been to operate a sound service system while building to meet transit needs for the future.

Ms. Ban said it was important to evaluate at what point erosion of the fixed-route system compromised the ability to build for the future.

Mr. Gaydos stated that it was necessary to initiate the payroll tax increase and that the expense growth assumption was reasonable. He said the Coburg Road corridor should be moved beyond the eight-year budget range. He thought the Pioneer Parkway corridor should proceed because of its importance to the TransPlan and nodal development. He added that the community was depending on BRT to resolve some of the traffic issues surrounding the proposed PeaceHealth development. He said it was essential to better understand the impact of decisions, including budget option 2, on the fixed-route service.

In response to a question from Mr. Gant, Mr. Pangborn said it was important to make a decision on the Pioneer Parkway corridor soon. Mr. Hamm noted that the trip generation of the proposed PeaceHealth facility meant that LTD would have some type of service at the door.

Ms. Ban added that synchronicity of the project and being there when the infrastructure was designed was critical to avoid the types of complications that a Coburg Road corridor would present.

Mr. Pangborn agreed that exclusive right-of-way was the crux of the issue. He said the hope was that the exclusive right-of-way property would have a value that could be donated to the project as part of the 20 percent local match.

Ms. Ban said another issue for the Board was how to make value judgments about fixed-route service and what criteria should be used to make decisions about critical routes, frequency, hours of service, and other issues. Mr. Pangborn said that discussion later in the meeting would be helpful in answering those questions.

BOARD CALENDARS – Ms. Wylie reviewed the calendar of Board activities. She asked if the March BRT Steering Committee could be moved to a date later in the week because most Board members were not available on March 2.

In response to a question from Ms. Wylie, Mr. Kleger reported that the Service Committee had met and reviewed the service reduction options that would be discussed during the Annual Route Review agenda item later in the meeting.

EMPLOYEE OF THE MONTH – Mr. Hamm announced that Bus Operator Gaylene Shrope, the February 2004 Employee of the Month, would be introduced to the Board at the next meeting.

AUDIENCE PARTICIPATION – Leslie Scott of Eugene, manager of the Oregon Country Fair, addressed the Board on the subject of charging special events the fully allocated rate for special services. She emphasized the 20-year community partnership shared by LTD and the Oregon Country Fair. She said that the Fair also was experiencing a decrease in participation and revenue and an exponential increase in direct costs. She stated that riding the bus to the Fair introduced new riders to the service and that LTD had reduced the impact of traffic in the area significantly by having 30 percent of the 45,000 to 50,000 attendees over a three-day period arrive by bus. She said that charging a fully allocated rate in 2004 would represent almost a 30 percent increase in cost in one year. She urged the Board to reconsider implementing such an increase all at once and consider a phased-in approach.

Ms. Wylie reviewed with Ms. Scott the rate increases from \$47 per hour in 1995 to \$88 per hour in 2004. Ms. Scott noted that the Fair represented more than 600 hours of service.

Ms. Ban asked if the Fair had considered reimbursement from attendees who had used the bus. Ms. Scott said there had been many conversations about that over the years and while there was resistance to the idea, the Fair acknowledged it would need to consider that option eventually. She added that the Fair was outside the standard LTD service area and therefore did not have the option to “buy the till.”

IT Award – Steve Parrott, Information Technology manager, announced that LTD, at a recent Lane Council of Governments event, was presented an award as a participant in The Public Agency Network, which was a group of local government agencies formed to develop an improved communications network. Mr. Hamm remarked that Mr. Parrott’s involvement with the communications improvement effort supported the Board’s goal of innovative leadership in the community.

ITEMS FOR ACTION AT THIS MEETING

MOTION

A. Consent Calendar – Mr. Kleger moved adoption of LTD Board Resolution No. 2004-001: “It is hereby resolved that the Consent Calendar for January 21, 2004, is approved as presented.” Mr. Gant provided the second. The Consent Calendar consisted of the minutes of the December 17, 2003, regular Board meeting.

VOTE

The Consent Calendar was approved as follows:

AYES: Ban, Gant, Gaydos, Kleger, Wylie (5)

NAYS: None

ABSENCES: None

EXCUSED: Hocken, Lauritsen

B. Special Service Pricing – Mr. Vobora presented an overview of special service pricing and the proposal to charge all special events service at a fully allocated rate. He said the proposed change was prompted by the District’s cuts in staffing and service and the increasing complexity of many special events. He indicated that a fully allocated rate for all special events would recognize the full cost of service implementation and overhead costs associated with the District’s operations and result in an increase of \$20 in the hourly rate for special events.

Mr. Gaydos asked if the possibility of a phased-in approach had been examined. Mr. Vobora said a phased-in approach was possible, but expenses would continue to increase and the special events rate still would be trying to catch up with expenses.

Ms. Ban expressed concern with the impact of the abrupt increase in the rate on some event organizers and suggested that a one-year phase-in would allow time for organizers to consider other approaches to paying for special events service. Mr. Vobora agreed that a phase-in would give organizers an opportunity to look at reimbursement options. He said that users of the special events service, from nonprofits to the University of Oregon Athletics Department, had expressed concern with the increased rate, but also noted that District personnel cuts required fewer staff to handle more tasks.

Mr. Kleger remarked that staffing shortages resulted in overtime pay or compensated time, both of which cost the District in terms of increased wages or staff unavailable for other work.

Mr. Hamm agreed that the Board was faced with a difficult business decision. He said that during years of double-digit growth and increased revenues, staffing was increased, and the District could afford to add service hours and special services that were substantially subsidized during that time. However, with declining revenues it was necessary to look at cuts in those services even though there were benefits to community from them. He said it was important to continue community partnerships established over long periods of time, but the Board needed to examine whether that should be at the expense of regular services or jobs.

Ms. Ban said that she viewed special events service not as an additional service, but part of the larger model of moving people out of their cars and onto transit. She added that there were strategies that could be used for larger community goals when the resources were available, but in tight financial times those should be reevaluated to hold the core services together.

Mr. Vobora said that with the Oregon Country Fair and other special events services, there was an opportunity to be more efficient and save some service hours through use of the larger articulated buses in the summer.

Mr. Gant supported the concept of a phased-in approach to the fully allocated rate, but no longer than a two-year period.

Mr. Kleger agreed with a phased-in approach, but thought the Board would fail to do due diligence to maintain the solvency of the District if the period was longer than two years. He said he did not want to see events, particularly the Oregon Country Fair, have to absorb the entire increase at once because many of the patrons of those events also were regular bus riders.

MOTION Mr. Kleger moved adoption of LTD Resolution 2004.002: "It is hereby resolved that the LTD Board of Directors approves the use of fully allocated cost pricing for all special event services provided by Lane Transit District and adopts the revised Special Service Policy as presented. This adjustment in special event fares shall be phased in over two years." Mr. Gaydos provided the second.

VOTE The resolution was approved as follows:
AYES: Ban, Gant, Gaydos, Kleger, Wylie (5)
NAYS: None
ABSENTIONS: None
EXCUSED: Hocken, Lauritsen

C. Group Pass Pricing – Mr. Vobora reviewed the proposed increase of 5.9 percent to the group pass pricing schedule. He said the Board Finance Committee recommended that the increase go into effect January 1, 2005. He noted that the increase was based on the three-year rolling average of District cost increases.

Ms. Ban remarked that the proposed increases seemed reasonable.

MOTION Ms. Ban moved adoption of LTD Resolution No. 2004-003: "It is hereby resolved that the LTD Board of Directors approves a 5.9 percent increase to the Group Pass pricing structure effective January 1, 2005." Mr. Kleger provided the second.

VOTE The resolution was approved as follows:
AYES: Ban, Gant, Gaydos, Kleger, Wylie (5)
NAYS: None
ABSENTIONS: None
EXCUSED: Hocken, Lauritsen

D. Selection of Legal Counsel to the Board – Mr. Pangborn explained that legal counsel to the District was provided on a contracted basis and the current contract with the firm of Arnold Gallagher Saydack Percell Roberts and Potter, P.C., was expiring. He explained that typically the contract would be put back out for bid, although that was not required by federal or state law for professional services contracts. He said that staff recommended extending the current contract for a period of two years based on satisfaction with the level of service, appropriate pricing, continuity of service, and policy and political considerations.

Ms. Wylie stated that she had been very pleased with the law firm and the work it had done for LTD. Because a number of crucial legal issues were ongoing, she saw no compelling reason to change firms.

In response to a question from Mr. Gant, Mr. Pangborn replied that the justification for extending the contract was documented in the agenda item summary.

MOTION Mr. Kleger moved adoption of LTD Resolution No. 2004-004: "It is hereby resolved that the LTD Board of Directors directs staff to extend the existing contract for legal services with the firm of Arnold Gallagher Saydack Percell Roberts and Potter, P.C., for a period of two years, February 26, 2004, through February 25, 2006, and to document for the record the reasons for the extension of this contract." Ms. Ban provided the second.

VOTE The resolution was approved as follows:
AYES: Ban, Gant, Gaydos, Kleger, Wylie (5)
NAYS: None
ABSENTIONS: None
EXCUSED: Hocken, Lauritsen

ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

Prepare for Joint Meeting with Eugene City Council

Mr. Hamm distributed a memorandum dated January 21, 2004, providing information on individual meetings with Eugene City Councilors. He said the purpose of the individual meetings was to identify any interests or concerns that councilors might have in anticipation of the joint meeting with the LTD Board on February 23, 2004. He encouraged Board members to meet with

councilors as soon as possible and provide feedback to staff so that an agenda reflecting issues of mutual interest could be prepared for the joint meeting.

Ms. Ban left the meeting at 7:15 p.m.

Board Member Reports

Metropolitan Policy Committee – Mr. Gaydos said the MPC continued to work on a public involvement plan.

Board Service Committee – Mr. Kleger said the committee had discussed issues that would be addressed later on the agenda under the 2004 Annual Route Review.

BRT Steering Committee and Board BRT Committee – There was no meeting.

Board Committee on Joint Development – There was no meeting.

Springfield Station Design Review Committee – There was no meeting.

Coburg Road Stakeholder Committee – There was no meeting.

Board Finance Committee – There was no meeting.

Board Human Resources Committee – There was no meeting.

Region 2050 Policy Advisory Committee – There was no meeting.

Statewide Livability Forum – There was no meeting.

2004 Annual Route Review/Service Plan Preliminary Discussion – Marketing and Planning Manager Andy Vobora related that the Board Service Committee had discussed a number of concepts from the perspective of productivity and coverage. He distributed a document entitled “2004 Annual Route Review – Service Reduction Options,” which contained a “brainstorming” list of proposed cuts developed by the Service Advisory Committee composed of bus operators, Guest Service staff, Marketing and Planning staff, and Operations staff. He said the list represented a refinement of the spreadsheet of options contained in the agenda item summary to achieve a 3 percent service reduction that would not conflict with a redesign of service next year. He said the handout reflected cuts that were feasible based on Service Policy criteria: productivity of service, availability of alternative service, service to persons who were transit-dependent, and cost effectiveness of service. He described how the criteria applied to several of the proposed service reductions.

Ms. Wylie asked if a vanpool targeted to one or two employers might be an alternative for some of the proposed cuts. Mr. Vobora replied that LTD still would incur the cost of a driver if LTD provided the service, and typically employees preferred to drive themselves than participate in an employer-sponsored vanpool. Senior Service Planner Paul Zvonkovic said that an issue for many people was the time involved in using a vanpool.

Continuing, Mr. Vobora said that the multi-year budget anticipated a 3 percent reduction in services in the current year and possibly a larger reduction next year. He said that staff were asking the Board for feedback on what additional data or research would be useful to guide its decisions. He stated that the question was whether the allocation model of 75 percent productivity, 20 percent coverage, and 5 percent discretionary previously adopted by the Board to guide service redesign should be maintained or modified. Ms. Wylie suggested that the Board might want to review the allocation model. Mr. Gaydos and Mr. Kleger agreed with the suggestion to review the model because some members were not on the Board when it was adopted.

Mr. Vobora reported that results were coming in from surveys of guests, and staff would compile that data and provide it to the Board. He noted that initial results reflected a wide range of attitudes and opinions about transit service.

Ms. Wylie asked Mr. Vobora to provide the Board with information on each proposed cut that included alternatives available for the service to be cut and the hardship factor – who would be impacted by the cut and how.

Board members and staff discussed various efficiencies realized through the use of articulated buses.

Mr. Vobora announced that the service reductions would come to the Board as a formal proposal in February 2004, with a public hearing, and again in March for a second public hearing and adoption. He stated that the public outreach plan included two open houses, on February 5 and 26, 2004, at the Guest Service Center and comments would be taken at the LTD booth at the Springfield Business Expo at the Gateway Mall on February 7, 2004.

Mr. Kleger noted that the *Riders Digest* update effective February 1, 2004, contained information on the proposed cuts, open houses, and public hearings, and a feedback form.

2004 Federal Agenda – Ms. Lynch briefly reviewed the tentative agenda for the “United Front” trip to Washington, D.C., in March 2004 of representatives from LTD and local governments. She said the agenda represented a list of local projects and priority issues that would be presented to the Oregon congressional delegation and congressional and federal agency staff. She said the list was still subject to some revision, but was probably 90 percent accurate. Ms. Wylie stated that Mr. Gaydos, Mr. Hamm, and Ms. Lynch would represent LTD.

General Manager’s Report – There were no questions.

Monthly Financial Report – There were no question.

BRT Update – Purchasing Manager Jeanette Bailor reported on a recent trip to Winnipeg, Manitoba, to meet with representatives of New Flyer regarding the new BRT vehicles. She said that representatives from Greater Cleveland Transit Authority, which also was involved in a BRT project and purchasing vehicles similar to LTD’s, participated in the trip as well. She indicated that discussions did not result in a final vehicle price for either transit district, but did result in a good understanding of how price would be determined. She said margin and profit costs were agreed upon and would not be charged on research and development. She added that agreement was reached on most of the material costs and staff were awaiting revised research and development figures to resolve outstanding issues. She said the schedule of June 2006 for final delivery was still firm, with prototypes available in early 2005.

Springfield Station Update – There were no questions.

B. Monthly Department Reports – Ms. Neidig remarked that she had attended a monthly meeting of Human Resource directors from around Lane County with about 100 people in attendance. She said MaryLee Turner, director of the Oregon Commission for the Blind, was the guest speaker and her remarks were highly complimentary about LTD’s services. She said Ms. Turner told the group that LTD was the first transit district in the nation to provide 100 percent

lift-equipped vehicles long before the Americans with Disabilities Act was law and suggested that employers should give all new employees a packet of bus tokens and be able to tell employees and customers how to use the transit system to get to their businesses.

C. Monthly Performance Reports – Mr. Kleger pointed out a change in the format of the performance report on the *RideSource* program. He said the report followed the pattern that was used in the fixed-route system so that information could be provided in a more consistent manner. He noted that the large number of ride reservation cancellations in December 2003 were a consequence of the snowstorm and that similar results would appear in the January 2004 report due to a second snowstorm.

ADJOURNMENT

The meeting adjourned at 7:50 p.m.

Board Secretary

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: BUS RAPID TRANSIT (BRT) UPDATE

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

ACTION REQUESTED: None. Information only.

BACKGROUND: **EmX Franklin Corridor Design:** Final design drawings for the Franklin Corridor have been received and were distributed to LTD's partner agencies. The final designs for the Eugene section are 95 percent complete and will be finalized by February 20, 2004.

Construction Schedule: The Intergovernmental Agreements (IGA) with the City of Eugene, Oregon Department of Transportation, and University of Oregon currently are being reviewed by legal counsel. Signing of these documents is expected within a few months. The Public Improvement Permit for the City of Springfield also is being reviewed by legal counsel and is expected to be ready for signature this spring. Once LTD has signed agreements and the right-of-way is acquired, construction can begin.

In preparation for the start of construction canopy pruning of the trees along Franklin Boulevard took place on Friday, February 6. Root pruning was done over three days, February 11-13. This is a protective measure that will reduce the stress that the trees will experience during future construction activities.

EWEB is finalizing plans to underground utilities on the north side of Franklin Blvd starting at Onyx and continuing about 200 feet past Riverfront Parkway. EWEB and LTD staff will meet with property owners during the month of February to discuss the location of vaults and transformers. Work is scheduled to begin this spring, weather permitting. The completion date for the undergrounding project is June 30, 2004.

EmX Vehicle: LTD staff conducted joint discussions with Cleveland Regional Transit Authority and New Flyer Industries on January 14-16 in Winnipeg to further define issues surrounding the EmX vehicles and to allow New Flyer Industries to provide a final price to the District. The meetings resolved some items of contention and raised issues that required additional follow-up from suppliers to New Flyer. A Best and Final

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offer is expected at LTD on February 13. Staff will keep the Board apprised of the status of this contract.

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Springfield Corridor: Progress is being made with the alternatives evaluation and environmental documentation. A draft document is anticipated to be distributed for comment by June 2004. Following a decision by Springfield staff to recommend to the Council that BRT operate in mixed traffic along MLK Jr. Parkway, LTD and Springfield staffs have instituted a consolidated work schedule to further review design alternatives with the objective of preparing a joint recommendation to the Council on March 16.

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Eugene Corridor: The BRT Steering Committee reviewed the Coburg Road Corridor Study report on February 3, 2004. Members of the Coburg Road Stakeholder Committee also addressed the Steering Committee as part of the formal presentation. The LTD Board is anticipated to discuss this project with the Eugene City Council when they meet on February 23, 2004.

ATTACHMENTS: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: BOARD CALENDARS

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

ACTION REQUESTED: Discussion of Board member participation at LTD and community events and activities

BACKGROUND: At the Board's November 2003 strategic planning work session, the Board asked to have time early on each month's agenda to discuss a schedule of coming meetings, events, and activities. Board members are asked to coordinate the enclosed calendars with their personal calendars and then bring the LTD calendars to the Board meeting for discussion.

At the February 18 meeting, Board members and staff will work together to schedule Board member and staff attendance at specific events, meetings, and activities.

ATTACHMENT: Board calendars are included as a separate document for Board members only.

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

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 February 18, 2004:

- Approval of minutes: January 21, 2004, regular Board meeting

ATTACHMENT: Minutes of the January 21, 2004, regular Board meeting

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

LTD Resolution No. 2004-005: It is hereby resolved that the Consent Calendar for February 18, 2004, is approved as presented.



January 2004

Valley VanPool ridership has been stable and slowly growing during its first year.

VALLEY VANPOOL	
YEAR-END SUMMARY	
JULY 2002-JUNE 2003	
<u>RIDERSHIP</u>	
AVERAGE NUMBER OF TOTAL RIDERS:	101 RIDERS
AVERAGE NUMBER OF VANS:	8.5 VANS
AVERAGE DAILY RIDERSHIP PER VAN	9.16 RIDERS
<u>VEHICLE MILES TRAVELED (VMT)</u>	
AVERAGE DAILY MILES TRAVELED PER RIDER	78 MI./RIDER
COMMUTE ROUND-TRIPS ELIMINATED	19,447 TRIPS
VANPOOL VMT REDUCTION	1,500,867 VMT
ESTIMATED COST SAVINGS TO SOCIETY	\$1,167,087
<u>EMISSIONS REDUCTIONS</u>	
SOURCE: AAA AND EPA, 2000	
GALLONS OF FUEL SAVED (AVE. CAR GETS 20 MILES TO THE GALLON)	83,363 GALLONS
FUEL COST SAVINGS TO RIDERS (GALLONS OF FUEL SAVED X 1.2)	\$100,036
CARBON MONOXIDE (1 LB. PER 25 MI.) (TOTAL VMT SAVED / 25)	66,691 POUNDS
CARBON DIOXIDE (19.4 LBS. PER GAL.) (TOTAL GALLONS OF FUEL SAVED X 19.4)	1,617,249 POUNDS
VOC- VOLATILE ORGANIC COMPOUNDS (AT .073 OUNCE PER MILE) (TOTAL VMT X .0045625)	7,607 POUNDS

The Valley VanPool partners attended a vanpool council meeting at the International Association for Commuter Transportation conference in Utah and the Oregon Transportation Conference in Seaside, Oregon.

Valley VanPool meets on a quarterly basis and issues a quarterly newsletter.

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: WORK SESSION: COMMUTER SOLUTIONS PROGRAM REPORT

PREPARED BY: Connie Bloom Williams, Commuter Solutions Program Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: Commuter Solutions Program staff continue to be active in local metropolitan planning issues and in providing transportation programs and services to the community. At the meeting, staff will review activities, accomplishments, and changes that have occurred since the last report to the Board in January 2002.

Categories of programs within the Commuter Solutions Strategic Plan fall into four main categories:

- Technical Assistance and Services
- Education and Awareness
- Research
- Policy

A copy of the Planning Goals is attached for the Board's review.

ATTACHMENTS:

- (1) Commuter Solutions Planning Goals 2003-2005
- (2) Smart Ways to School Project Update
- (3) Vanpool Report
- (4) Group Pass Participants List, February 2004 Update

PROPOSED MOTION: None

Commuter Solutions Planning Goals 2003-2005

Listed below are the goals, strategies, objectives, and specific action items for the Commuter Solutions Program.

GOAL 1 INCREASE PARTICIPATION IN ALTERNATIVE MODES.

A balanced transportation system is needed in order to ease congestion, reduce strain on the mobility infrastructure, and reduce automobile emissions and energy consumption. Transportation Demand Management (TDM) strategies provide methods to achieve these goals through increased choices and the provision of incentives (e.g., teleworking, rideshare, compressed work weeks, transit, carsharing, etc.). A multilevel intervention approach to travel behavior, targeting work and school sites, home, and metropolitan planning issues, will produce increased use of alternatives.

Strategy: Maintain Existing Programs and Services While Increasing Visibility.

Objective 1A: Develop and evaluate marketing campaigns.

Objective 1B: Develop school trip management programs.

Strategy: Create New Outreach Programs.

Objective 1C: Increase general public's awareness of and participation in ridesharing.

Objective 1D: Create greater visibility of TDM options at key multi-modal areas.

GOAL 2: CONSIDER THE USE OF PARKING MANAGEMENT STRATEGIES IN SELECTED AREAS THROUGHOUT THE EUGENE-SPRINGFIELD METROPOLITAN AREA.

Parking strategies can increase the use of non-single-occupancy vehicle and non-auto travel choices. The creation of positive parking incentives (such as reduced rates for carpools) and the combination of pricing policies (such as a fee for "surplus parking spaces" beyond the minimum required by the land use code) can enhance the use of alternative modes.

Strategy: Identify and inventory parking strategies.

Objective 2A: Identify parking management opportunities.

GOAL 3: IMPLEMENT TDM STRATEGIES AT KEY CONGESTED LOCATIONS.

Congestion at key locations not only puts great strain on the infrastructure, but also creates critical safety issues for jurisdictions. Congestion also allows for collaboration opportunities with private and public entities to creatively approach the problem and employ TDM solutions.

Strategy: Create Community Solutions to Congestion.

Objective 3A: Foster a collaborative approach with private/public partnerships to solve local congestion.

GOAL 4: CREATE TDM INFRASTRUCTURE SUPPORTED BY REGIONAL JURISDICTIONS.

In order for TDM programs to be effective, stronger TDM partnerships with cities and agencies that provide transportation within the Eugene-Springfield metropolitan area are needed. The harmful effects of travel demand, congestion, diminishing air quality, reduction of natural resources, and infrastructure strain do not respect city boundaries. Collaboration and coordination between jurisdictions are essential to the success of TDM strategies.

Strategy: Create TDM infrastructure supported by local, regional, and state jurisdictions.

Objective 4A: Advance discussion on regional commitments and participation in Commuter Solutions.

Objective 4B: Prepare Commuter Solutions to be the regional coordinator of TDM policies.

GOAL 5 EFFECTIVELY USE RESOURCES TO ADVANCE COMMUTER SOLUTIONS PROGRAM GOALS.

Strategy: Secure funding for program staff.

Objective 5A: Maintain existing positions.

Objective 5B: Leverage Commuter Solutions resources.

GOAL 6 INCREASE PUBLIC INVOLVEMENT.

Community input and feedback in Commuter Solutions Programs helps ensure the program's success in responding to regional needs.

Strategy: Keep the Region's Stakeholders Informed and Solicit Input on Programs and Policies.

Objective 6A: Conduct outreach to the region's public, private, and nonprofit organizations that focus on issues of growth and transportation.

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Lane Transit District
P. O. Box 7070
Eugene, Oregon 97401

(541) 682-6100
Fax (541) 682-6111

MONTHLY DEPARTMENT REPORTS

February 18, 2004

GOVERNMENT RELATIONS

Linda Lynch, Government Relations Manager

STATE

A series of legislative hearings on tax reform has been scheduled by the Joint Legislative Committee on Tax Reform. The understanding is that these will be public hearings around the state, but so far no details are available. There is not a groundswell of desire to tackle this issue.

With the changes in membership of the state legislature, some new members have yet to receive committee assignments. A total of 20 people have either resigned, announced they were not running again, or are running from the House to the Senate.

FEDERAL

Included in the Omnibus Appropriations Act for FY 04 was funding for the following local projects, for a total of \$12.875 million either in appropriations or in directed report language:

- Springfield Mill Race Ecosystem Restoration - \$1 million
- Eugene-Springfield Metro Waterways project (Fern Ridge Dam) - \$1.5 million
- Wildish Community Theatre - \$100,000
- Lane County Public Health Facility - \$75,000
- Airport Instrument Landing System - \$2.25 million
- Lane County Breaking the Cycle of Juvenile Drug Abuse - \$450,000
- Lane Transit District Springfield Station - \$4 million
- Lane Transit District next BRT corridors - \$2 million
- Lane Transit District bus facilities \$750,000

Reauthorization of TEA-21: President Bush has threatened to veto the transportation bill that the Senate is considering. The main conclusion to draw from this is that progress is being made. The extension to TEA 21 expires at the end of February, but a four-month

extension is being considered by the Congress. There are many pieces needed to create the next bill, but they are starting to come together.

Both House and Senate versions have provisions for what might be called “small starts,” the concept that LTD advanced in the past two years to create a way to fund bus rapid transit projects. The House version is closer to the District’s vision, but staffs to both Congressman DeFazio and Senator Wyden have asked for comments on the various proposals. The primary difference from LTD’s point of view is that multi-year grant agreements are not explicitly authorized in the Senate version. It is also unclear what rules might apply, if any, to projects conceived under the Senate plan.

Congressional staff also have referred related bills to us for comment. In the end some of the proposals reviewed will become part of the next TEA bill (and some will not).

Planning for 2004: The completed 2004 federal priorities document for the six local governments who lobby together will be available at the February Board meeting. Meetings are being scheduled in Washington, D.C., for March 2 and 3.

DEVELOPMENT SERVICES

Stefano Viggiano, Director of Development Services

ACCESSIBLE SERVICES

Terry Parker, Accessible Services Manager

Through Oregon State University’s National Center for Accessible Transportation, LTD will be participating in a project studying wheelchair-user response to the use of rear-facing compartment securement. For the past twelve years, Dr. J.R. Zaworski has been a key team member of the OSU team working on accessibility technologies. He made a presentation to LTD’s Special Transportation and Accessible Issues Committees to introduce the project.

Local Special Transportation Advisory Committees and LTD are asked to review, evaluate, and rank the Lane County Special Transportation Development project application. Five applications were submitted. The total grant amount requested is \$272,000 and includes the following projects, ranked in order:

1. RideSource Equipment for Vehicle Maintenance & Repair
2. Countywide Call Center & Brokerage Planning Project
3. Replacement Vehicle x 1 - Eugene Parks & Recreation / Hilyard Center
4. Bus Shelters - Rural
5. Bus Shelters - Metro

SERVICE PLANNING AND MARKETING

Andy Vobora, Service Planning and Marketing Manager

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Winter bid was implemented on February 1. A few minor glitches were discovered in station graphics and bus stop information and were corrected on February 2. The service changes, many of which dealt with running times, appear to be working. It will take some time to evaluate transfers, but early indications are that the extra time is a relief to operators, and that guests appreciate knowing that transfers will be made.

Staff continue to evaluate Web site "shopping cart" proposals. Both proposals seem viable and the costs are very similar. Reference checking will continue and staff hope to select a firm in February. With an eight-week development timeline, the new service should be up and running later this spring. Graphics staff also are working on revisions to the Web page layout. This will include better navigational tools and new colors as part of the District's branding work

Media coverage of the budget situation was fairly well done. A couple of statistics were reported incorrectly in both the *Register-Guard* and the *Springfield News*. I have asked both reporters to allow statistics to be reviewed in future articles. There often is a lot of detailed information and it is easy to get numbers confused.

Government Relations Manager Linda Lynch and I met with public relations consultant Jenny Ulum to discuss a tax implementation strategy. This piece will be included in a bigger public relations plan. The overall plan will be available for review and discussion in March.

Discussions with Lane Community College regarding the group pass program have been initiated. The agreement is an annual agreement; therefore, the College needs to decide if the program has been successful. Staff believe that it has and that the College will renew.

The Associated Students of the University of Oregon (ASUO) Program Finance Committee has approved LTD's requested budget for 2004-05. In an attempt to bring the ASUO rate up to the Board policy rate, an additional \$1.25 per student/per term fee was requested and approved. This will increase the current rate of \$8.75 to \$10.00. This change will result in an additional \$57,000 in fare revenue. If future requests are successful, the rate should reach the Board policy rate within two years. The total contract with ASUO now generates \$583,000 annually.

Discussions with OSAA regarding shuttle service to the state basketball tournament at MacArthur Court are moving slowly. I have been working with the UO and City staff on parking issues and attempting to negotiate a permit for visitors to purchase. This would allow people to avoid parking tickets that so commonly come with large weekday events at the University. Staff are hopeful that a shuttle service can be arranged and that it meets the needs of people coming to the tournament.

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FACILITIES SERVICES

Charlie Simmons, Facilities Services Manager

The bid for manufacturing transit shelters was awarded to AMF of Noti, Oregon. We are currently working with the service planners to identify a list of shelters to be replaced through July of this year. The plan is to replace up to 75 shelters during the next three years. This project will replace the older glass shelters and reduce our shelter operational expenses.

The Maintenance building expansion project is making excellent progress and is scheduled to be complete by the end of March. If Board members would like a tour of the Maintenance building, please contact Charlie Simmons at 682-6129.

The department has made a staffing change to reallocate time to facilities maintenance to better address the District's deferred maintenance

METROPOLITAN PLANNING

Lisa Gardner, Senior Strategic Planner

Central Area Transportation Study: LTD staff continue to work with City of Eugene staff to complete work on the Central Area Transportation Study (CATS). The Eugene City Council held a public hearing on February 2, 2004, to receive testimony on the draft document. Staff prepared responses to the December 1 Council Work Session, as well as responses to both written and verbal testimony at the public hearing. Issues raised during the comment period specific to LTD include comments on a proposed transit river crossing to serve Autzen Stadium, circulation of BRT routing through downtown, Breeze routing, transit service to the proposed Federal Courthouse, and two-way street conversion adjacent to the Eugene Station. A copy of the transit section from the draft CATS document and staff responses are included in this packet as background materials for the City of Eugene/LTD joint meeting on February 23. The Council postponed its work session on CATS scheduled for February 11, 2004. A new work session date has not been set, and it is likely that scheduling will delay Council action, which currently is scheduled for February 23, 2004.

Metropolitan Policy Committee: A detailed report of the February 12, 2004, Metropolitan Policy Committee meeting is included in the Board Report Section of this agenda packet.

City of Eugene Nodal Development: The City of Eugene is considering strategies for moving ahead with the nodal development program. At their February 9, 2004, regular meeting, the Eugene Planning Commission discussed strategies for achieving the nodal development goals adopted in TransPlan. A memo was forwarded to the City Council for consideration in a Council work session on nodal development on February 9, 2004. At issue is how best to allocate \$200,000 in funding budgeted for nodal development implementation. The discussion centered on the consideration that site-specific planning, such as that done for Chase Gardens or Barger, is not effective in the absence of a known developer. There was discussion regarding impacts of transit on nodal development opportunities and incentives, including the lack of certainty of the specific alignment of the Coburg BRT Corridor, as well as effects of service cuts on the perception of the permanence of transit.

GRANTS

Lisa Gardner, Senior Strategic Planner

The federal register FY04 final apportionments, allocations, and programming were distributed to grantees on February 10, 2004. The Federal Register details the exact amount allocated to grantees for annual formula and discretionary appropriations after federal oversight take-downs. The federal register authorized the availability of 53 percent of the total apportionments, with the balance to be made available at a future date. Staff will follow up with the Region X office to determine what amount LTD is authorized to include in our grant applications. This is most relevant to the Springfield Station earmark, as we are currently pre-spending this money, and are eager for federal reimbursement.

The Statewide Transportation Improvement Program (STIP) has been approved by ODOT, and is pending federal (FHWA and FTA) approval. LTD grant applications are being prepared pending this approval.

TRANSIT OPERATIONS

Mark Johnson, Director of Transit Operations

NEW OPERATOR CLASS TO BEGIN

Six new bus operators will arrive at LTD on February 16. They will replace operators who have retired or otherwise terminated their employment with LTD. The new operators will bring staffing up to a full complement of operators.

TRAINING ON NEW ARTICULATED BUSES

The training supervisor has been busy getting ready for the new class of operator, but also becoming familiar with the five new, New Flyer articulated buses. The buses are going through the inspection and acceptance process and should be ready for service by March 1. Training on the new vehicles will take place between now and then.

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

FINANCE

Carol James, Accounting Manager

January, as is typical, was a busy processing month for Finance staff. Three hundred thirty-four W2 forms and thirty-four 1099 forms were processed and distributed. Quarterly tax and grant reporting were completed in a timely manner. Two regular payroll cycles, requiring a total of 554 electronic deposits and 75 paper checks, were processed. Three hundred seventeen vendor checks, including one for \$1,483,395.20 for articulated buses, were processed during January. January saw the FY 2004-05 budget process begin in earnest, with staff generating draft Capital Improvements Program (CIP), Long-range Financial Plan (LRFP), payroll, and other projections for Board and Leadership Council review and discussion. The cash room processed eleven fare box deposits totaling \$120,135.63 in currency and coin.

PURCHASING

Jeanette Bailor, Purchasing Manager

LTD staff conducted joint discussions with Cleveland Regional Transit Authority and New Flyer Industries on January 14-16 in Winnipeg to further define issues surrounding the EmX vehicles and to allow New Flyer Industries to provide a final price to the District. The meetings resolved some items of contention and raised issues that required additional follow-up from suppliers to New Flyer. A Best and Final Offer is expected at LTD on February 13. Staff will keep the Board apprised of the status of this contract.

INFORMATION TECHNOLOGY

Steve Parrott, IT Manager

IT staff continued their support of LTD's technology infrastructure and current capital projects. In addition, staff have participated in efforts to develop ideas for controlling costs of sustaining operations and reviewing priorities of future technology projects.

IT staff are investing energy in acquainting administrative staff with reports that present performance information gathered by the Siemens TransitMaster System (which includes Automatic Vehicle Location and Automatic Passenger Counting). Members of the Service Planning and Operations groups are reviewing reports to help validate the accuracy of the data collected by the Siemens TransitMaster System, as well as to refine report formats.

Work groups currently are focused on passenger counting and schedule adherence information. The current project review and correction cycle is producing incremental improvements in data accuracy and consistency. LTD presently is awaiting delivery of software revisions from Siemens to correct certain identified deficiencies in the TransitMaster application. While progress toward completing implementation is slower than expected, there is a consensus amongst LTD personnel involved in the project that this system will succeed in achieving its planned objectives.

HUMAN RESOURCES

Mary Neidig, Human Resources Director

The overwhelming event affecting the work of the Human Resources Department (and all of LTD) this month has been the tragic death of our Human Resources Specialist Joyce Ziemiak. This department became the central point for assistance to employees and family members.

Prior to this event, the director and general manager together attended a day and a half strategic planning session of CEOs from ten area public entities, related to diversity in our workplaces. The HR department will take the lead in forming an internal Diversity Council to advance LTD's goals and policies related to diversity.

A high priority for the HR department is to research other more cost effective methods of providing health care benefits to administrative employees. In addition, an employee survey was administered, and the District's policy on the Drug and Alcohol Program was revised.

High priorities for next month include continued support related to Ms. Ziemiak's death, as well as development of health care alternatives. The FTA has notified LTD of a pending audit, so preparations will be made for this as well.

Lane Transit District EmX Update February 2004

Franklin Corridor

- Corridor divided into two segments – Franklin segment and Eugene segment
- Final design completed in both segments – February 2004

Construction information

- Construction to start in Spring 2004. The order of construction will be:
 - Downtown Springfield – Spring/Summer 2004
 - Franklin Blvd –
 - widen road, Summer 2004
 - construct median transit lane, Summer 2005
 - Glenwood –Summer 2005
 - Downtown Eugene-Summer 2005 and Spring 2006
- Pruning of tree canopies and root systems – February 2004
- Budget for construction: \$17 million

Undergrounding Utilities

- Memorandum of Understanding (MOU) signed by City of Eugene, EWEB, and LTD in November, 2003. Agencies agree to split the cost of the undergrounding project.
 - Undergrounding of utilities on the north side of Franklin from Onyx to mid-block between Riverfront Parkway and Moss Street
 - EWEB working on designs for location of vaults and transformers– February 2004
 - Meetings with property owners explaining the process and discussing location of equipment on their property to be complete by the end of February 2004
 - Project completed by June 30, 2004

Operational facts

- Ten stations served (Eugene Station, new Springfield Station, and 8 stations in-between)
 - Begin construction of stations in Spring, 2005. All stations complete by Spring 2006
 - Redesign of vehicle bays at Eugene Station for Invero vehicle – Spring 2006
- 65 percent of the corridor is in exclusive transit right-of-way
- Transit travel time to decrease approximately 25 percent when it opens, and by about 40 percent for the year 2020 (compared to projected travel time without EmX)
- Decision yet to be made whether service will be 10- or 12-minute frequency.
 - System will require 4 buses to operate 10-minute service or three buses to operate 12-minute service
- Transfer introduced for Thurston riders traveling through downtown Springfield to Eugene
- Service to start in fall 2006

Invero Vehicle

- New EmX vehicles currently being developed with modern design – light rail appearance
- prototype expected January 2005
- 60-foot articulated
- Domestic manufacturer
- Hybrid-electric propulsion
- Modular composite body
- Stainless steel frame
- Built to accommodate guidance system
- Doors on left and right side
- Bikes on Board
- Approximately 50 seats
- Approximately 120 full capacity
- Arrival of first vehicle is due April, 2006
- Last vehicle arrives June, 2006
- Cost of 5 vehicles plus spare parts is approximately \$5.5 million

Pioneer Parkway Corridor

- Corridor selected by Springfield City Council and LTD Board – November 2001
- Serves existing development in the Gateway area and new development at RiverBend and along International Way
- Corridor selected prior to PeaceHealth decision to build at RiverBend, and is a necessary corridor even if the hospital is not relocated to the area
- Preliminary design completed with the assistance of citizen stakeholder groups
- EmX line would travel through PeaceHealth site and have a station in close proximity to entrance to hospital
- Environmental analysis underway – draft EIS to be released summer 2004
- Funding not yet approved
- Decision to proceed in fall 2004
- If approved and funding available, construction would start in 2006
- Service would start in 2008

Coburg Road Corridor

- Stakeholder group met for 15 months to consider corridor priorities and to evaluate possible EmX options against those priorities
- Report completed and approved for release
- Significant concern by business owners (particularly at south end of the corridor) over the possible loss of left turn access and corridor widening
- LTD Board and Eugene City Council to discuss the report and possible next steps on February 23rd
- Decisions yet to be made whether corridor will proceed to segment planning phase
- Earliest funding would be requested is 2009
- Earliest implementation 2012

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: FEBRUARY AND MARCH 2004 EMPLOYEES OF THE MONTH

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

BACKGROUND: **February 2004 Employee of the Month:** Bus Operator Gaylene Shrope was selected as the February 2004 Employee of the Month. Gaylene was hired by LTD on May 20, 1996. In addition to her duties as a bus operator, she has been a bus operator instructor since February 2001. She has received awards for seven years of Safe Driving and in 2001 was a recipient of the General Manager's Award for Excellence. Gaylene was nominated for this award by a guest because she has a good attitude, is a good driver, and is very nice, and by numerous co-workers who appreciate her leadership as the lead transportation coordinator (TC) for University of Oregon football and basketball shuttle service. One bus operator said, "Gaylene has been a true and effective leader. Giving the TCs working under her clear direction and then allowing them the freedom to load their buses in a way that is comfortable for them, she has helped create an atmosphere among the TC crew that makes it fun to spend 10-14 hours on your feet under stressful conditions." Another co-worker commented that Gaylene is always happy to go the extra mile to hold lift training sessions for LTD's riders. A total of 36 bus operators, supervisors, and office staff signed her nomination.

When asked to comment on Gaylene's selection as Employee of the Month, Transit Operations Field Supervisor Shawn Mercer said:

Gaylene is an excellent selection for February Employee of the Month. She has an outstanding record of success as an operator with LTD. Her willingness to go the extra mile is shown in her record of outstanding attendance, remarkable customer service, and the Team LTD approach she brings to her work every day. Gaylene also is an excellent role model to new operators in her position as an operator instructor. She also has worked as a leader of the crew of operators who serve as transportation coordinators for LTD special events services. These crews are essential to the smooth operation of special services, and an effective leader is invaluable. Gaylene has earned my respect as one of the most dedicated and hard working individuals in our organization. She is loved and admired by her peers and the Operations supervisory staff for her dedication and personal strength. Congratulations, Gaylene.

March 2004 Employee of the Month: Information Technology Manager Steve Parrott was selected as the March 2004 Employee of the Month. Steve was hired by the District on April 13, 1999. He was nominated for this award by a number of co-workers from the Operations Department, who commented that he is one of the hardest-working people at LTD, and that his appearance, comments, and ethics all reflect his kind professionalism and attention to detail. They noted that Steve always follows through, even on the smallest tasks, and treats everyone with respect.

When asked to comment on Steve's selection as Employee of the Month, Director of Finance and Information Technology Diane Hellekson said:

Steve's commitment to professionalism, hard work, and high standards of performance can only be described as impressive. He is extremely generous with his time, a patient teacher, strong strategic thinker and planner, and a true team player. All of his colleagues in the Finance and Information Department applaud and celebrate this long overdue recognition of Steve's outstanding service.

Our congratulations to Gaylene and Steve on their selection as the February and March 2004 Employees of the Month!

AWARD:

Gaylene and Steve will attend the February 18, 2004, meeting to be introduced to the Board and receive their awards.

Fare Policy

The fare policy is used to provide direction in making decisions about changes in the District's fare structure. The policy is composed of objectives and guidelines. The objectives indicate the general goals the District's fare structure should achieve. The guidelines provide more specific direction on the various aspects of a fare structure. The intent of each of the guidelines is further explained in a discussion section that follows each statement.

This Fare Policy applies to both the fixed-route and RideSource systems. Unless otherwise stated, objectives and guidelines apply to both systems.

OBJECTIVES

1. To promote fixed-route ridership by making the fare structure attractive to users
2. To improve the farebox recovery ratio
3. To improve the efficiency of fare collection
4. To promote equity of fare payment among patrons

APPLICATION

This policy applies to all recommendations for changes to the fare structure.

GUIDELINES

1. *Recommendations for changes in the fare will be developed by LTD staff. Decisions on fare changes are made by the LTD Board of Directors, and require an amendment to an ordinance. A public hearing is required for any change in fares. Changes to the RideSource Fare also will include review by the Special Transportation Fund Advisory Committee.*

Typically, fare change decisions are made over the course of three Board meetings. At the first meeting, an informational presentation to the Board and a public hearing are held. The first reading of the ordinance is held at the second meeting, and the second reading and approval of the fare ordinance occur at the third meeting.

2. *When making recommendations for changes to the fare, staff will consider the inflation rate, ridership and revenue trends, local economic trends, trends in automobile-related costs such as gas, service changes, the value of the service to the rider, market conditions and opportunities, the District's financial situation, the District's goals and objectives, and Board policy.*

Deleted: ,

This policy statement lists the most important factors to be considered in making recommendations for changes to the fare structure. The list of factors to be evaluated is not meant to be exclusive; other factors will need to be considered from year to year. It is further recommended that staff develop and maintain a ridership model in order to more accurately predict the effects of changes in the fare structure.

3. *Increases to the Group Pass rates will be based on guidelines included in the Group Pass section of this policy.*
4. *The RideSource fare should exceed the fare of the fixed-route system to reflect the higher cost of a RideSource trip and to encourage use of the fixed-route system.*

RideSource, a demand-responsive, curb-to-curb service, has a much higher cost per trip than LTD's fixed-route service. Establishing a higher cash fare for RideSource than for the fixed-route system will help to compensate for the higher cost and encourage riders who may have a choice between systems to use the fixed-route service. By law, RideSource fares cannot exceed twice the fixed-route fare.

5. *Increases in the farebox recovery ratio should be pursued primarily by improving the ridership productivity of the system and by improving internal operating efficiency.*

There are three ways to improve farebox recovery ratio: by increasing the fare (in real terms); by improving internal operating efficiency; and by improving ridership productivity. Attempts on the LTD fixed route to improve the recovery ratio by increasing the fare by an amount substantially greater than the inflation rate have proven unsatisfactory. Ridership decreases have almost offset the increase in the average fare, yielding only small gains in revenue and significant ridership loss. Improvements in internal operating efficiency should be pursued whenever possible. Improvements in ridership productivity are likely to provide the greatest potential for a significant improvement to the farebox recovery ratio. If the average fare remains stable (in real terms), a 10 percent increase in ridership productivity would achieve a 10 percent improvement in the farebox recovery ratio.

Unlike the fixed-route system, significant increases in RideSource rides do not provide significant additional income to offset costs. Encouraging use of the RideSource Shopper and providing incentives for grouping trips may improve productivity but would not have a substantial impact on the farebox recovery ratio. Due to the significant fare subsidy on RideSource, efforts should be made to maintain a minimum farebox recovery ratio and maintain the Americans with Disabilities Act (ADA) maximum fare, once attained.

6. *Prepayment of fares on the fixed-route system shall be encouraged. Accordingly, passes and tokens should be priced below the cash fare.*

Prepayment of fares benefits the District in a number of ways: It improves the cash flow situation; it guarantees ridership and revenue by the customer; it reduces the chance of non-payment or underpayment; and it speeds boarding. Prepayment mechanisms also tend to encourage increased ridership by customers since the cost of the ride is not required at the time the decision to take the ride is made. It is recommended that monthly passes be priced at 25 to 30 times the cash fare. ~~and that tokens be priced at 75 percent to 90 percent of the cash fare.~~ Passes should, on a per-ride basis, be discounted more than tokens, since they are more effective at increasing ridership and are a more efficient fare mechanism from an

internal operating standpoint. It should be noted that RideSource does not use either passes or tokens since there should not be an incentive to ride RideSource more frequently. However, RideSource provides ticket books for riders at a discount that is reviewed annually to encourage ease of boarding for customers, and to offer a non-cash alternative to riders.

7. *Increases to the base fixed-route fare generally should not exceed 25 percent within a year. Increases to the RideSource fare should not exceed 50 percent and no more than one increase should be implemented each year until reaching the allowable ADA maximum of twice the LTD adult cash fare.*

This policy directs that changes in the fare be incremental in nature to avoid large "catch-up" increases. The District's experience has been that large fare increases (even though occurring less often) have a substantially more negative impact on ridership than smaller, more frequent fare increases.

Large fare increases on RideSource do not seem to have a significant impact on ridership. However, RideSource has a more "captive" ridership and fare increases should not be unduly burdensome, especially since many of the riders have low incomes. Once the ADA maximum fare of twice the fixed-route adult cash fare is attained, additional fare increases would occur only when the LTD adult cash fare increases.

8. *Recommendations for fare changes will be developed prior to the budget process each spring for the following fiscal year.*

Given the dynamic nature of ridership, budgets, and other factors that affect fares, it is necessary to consider changes in the fare on a yearly basis. This policy ties the recommendations on fare changes to the budget process, as well as to decisions on major changes in the service that result from the Annual Route Review. This policy does not preclude making unprogrammed changes to the fare in mid-year if unforeseen conditions warrant.

9. *Changes in the fare structure should be implemented on the first day of a month, preferably in July or September.*

Since LTD ridership changes significantly at the start and end of summer, these are good times to implement changes to fares. Pass price increases during the school year when LTD ridership is highest are more visible and therefore may result in a greater loss of ridership.

10. *Fare promotions can be used to attract new riders to the fixed-route system.*

Fare promotions have been shown to be a cost-effective method of attracting new users to the system at a very low cost per trip. Surveys indicate that many of those attracted by free or reduced fares are not regular bus riders. The process to be followed in fare promotions includes an analysis of the proposal, a marketing plan for the promotion, and a post-project evaluation. The extent of the analysis, marketing plan, and evaluation would be based on the scale of the promotion. RideSource fare promotions shall be designed to switch riders to the LTD fixed route and to increase RideSource productivity.

11. *Discounted fares may be used to encourage ridership during traditionally low-demand periods.*

The District has had very good success in generating additional ridership in low-demand times through fare reductions. The cost per trip generated by the fare reductions has been much lower than for other options available to the District.

- 12. *Fare payment options that effectively attract a different market segment or encourage increased use of the bus by current riders shall be developed. The fare payment options should be made conveniently available to customers.*

The District currently offers customers the choice of paying cash or using tokens, monthly passes, or day passes. Each of these fare payment options is attractive to a different segment of the market. Other fare payment options that attract additional riders, increase bus use among current riders, or are more convenient forms of current options should be investigated and, if feasible, implemented. Convenient access to all fare payment options will tend to make the system more attractive to customers and thus will increase ridership.

- 13. *The design and number of fare payment instruments shall consider the ease of enforcement by bus operators and ease of understanding by customers.*

Bus operator enforcement of fares is necessary to ensure adherence by customers to the fare policies. The ease of enforcement is dependent upon the design of the fare payment instrument and the quantity of different fare payment options available. These two factors should be considered when making decisions on the implementation of a new fare option or the redesign of an existing fare instrument. Fare enforcement programs should be evaluated periodically to ensure that they are appropriate.

MAINTENANCE

The Finance Development Department will monitor application of this policy as it relates to cash fares, tokens, and standard passes, and propose revisions as necessary.

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- ATTACHMENTS: FARE MEDIA DONATIONS GUIDELINES
FARE DISCOUNTS (PRIVATE NON-PROFIT AGENCY PROGRAM) GUIDELINES
SSI RECIPIENT DISCOUNTS GUIDELINES
WHOLESALE DISCOUNTS GUIDELINES
GROUP PASS PROGRAM GUIDELINES

Fare Media Donations

OBJECTIVE

The District offers fare discounts for purposes of joint marketing promotions and to support community activities. Donations will occur in the form of fare media and gift certificates. Examples include, gift certificate to local school fundraising events and the donation of bus passes to organizations, such as Mobility International, that host delegates who come to our community to learn about accessibility.

APPLICATION

The following guidelines apply to all fare media donations.

PROGRAM GUIDELINES

Donations of both fare media and gift certificates will be handled through LTD Guest Services. Any community group may request a donation. The LTD Marketing Manager or the Guest Services Supervisor will review the request and determine the benefit to the District. Upon approval, the Guest Service Supervisor will prepare a gift certificate or instruct Guest Services staff to issue the appropriate fare media. Authorization for free fare media must be given in writing (email), by the Guest Services Supervisor or an LTD manager. Requests for fare media to be used for internal employee displays may be authorized by an LTD Marketing Representative.

MAINTENANCE

The Service Planning and Marketing Manager is responsible for a semi-annual report of donations. This report will be forwarded to the LTD General Manager for review.

Fare Discounts

Private Non-profit Agency Program

OBJECTIVE

The District offers private non-profit agencies the opportunity to purchase LTD fare media at a 50 percent discount. This discount is granted in recognition of a community need for transportation services for individuals and families who are working with these agencies to seek employment, housing, and medical services.

APPLICATION

This policy applies to any private non-profit (501-3-c) agency who wishes to purchase fare media from LTD.

PROGRAM GUIDELINES

Eligibility determination is conducted by Lane Transit District. ~~through the United Way of Lane County.~~ Agencies wishing to participate may complete the necessary application at LTD Guest Services. ~~the local United Way office.~~ Upon successful certification, agency staff may call LTD Guest Services to place a fare media order.

In 2004, agencies are eligible for a ~~40~~ 50 percent discount toward the purchase of \$375.00 of fare media per month. Beginning in July 2005, agencies are eligible for a 30 percent discount toward the purchase of \$375.00 of fare media per month. ~~In order to maintain the purchasing power of the agencies, the \$375.00 maximum will adjust annually as LTD increases fares.~~

In order to fill the gap for individuals and families who are not connected with a local agency, LTD will donate \$300.00 of fare media per month to Catholic Community Services. This amount is set and will not be adjusted annually.

MAINTENANCE

The Service Planning and Marketing Manager is responsible for monitoring and making recommendations for modifications to this policy. A semi-annual report of program use will be produced by the Guest Services Supervisor and will be forwarded to the LTD General Manager for review.

SSI Recipient Discounts

OBJECTIVE

The District offers a reduced fare monthly pass price to Social Security Insurance recipients. This program recognizes that there are individuals in our community who do not qualify for reduced fare status based solely on their disability, but who are mentally disabled and are receiving SSI payments.

APPLICATION

This policy applies to all individuals who are SSI recipients and who are not eligible for reduced fare certification based upon the need for specialized training or special accommodation for a physical disability.

PROGRAM GUIDELINES

LTD offers a 50-25 percent discount on the purchase of adult monthly passes to individuals who are SSI recipients and who are working with a case worker at Senior and Disabled Services. Qualification is determined by SDS case workers, who have evaluated their clients according to the LTD reduced fare certification guidelines, and have determined they do or do not qualify for reduced fare status. SDS staff forwards a list of qualified clients to LTD Guest Services on a monthly basis. This list is used by Guest Services staff to process the sales of the discounted passes prepare passes for delivery. Qualified individuals will receive their pass from their SDS case manager.

MAINTENANCE

The Service Planning and Marketing Manager is responsible for monitoring and making recommendations for modifications to the SSI discount program. An annual report of SSI pass sales will be prepared by the Guest Services Supervisor and forwarded to the General Manager for review.

Wholesale Discounts

OBJECTIVE

The District offers private retail sales outlets and public agencies a wholesale discount on the purchase of fare media. This discount recognizes that these organizations play an important role in the distribution of fare media to LTD customers.

APPLICATION

This policy applies to all private retail outlets that LTD chooses to contract with for the sales of fare media. ~~All public agency purchases will be issued according to the same discount structure.~~

PROGRAM GUIDELINES

LTD offers a 5 percent discount on the purchase of fare media for private retail sales outlets ~~and public agencies~~ who purchase fare media for their customers ~~and clients~~. All tokens are pre-purchased by the organizations, while monthly passes will be consigned.

MAINTENANCE

The Service Planning and Marketing Manager is responsible for monitoring and making recommendations for modifications to the wholesale discount program.

Adopted 2/85
Revised 6/86
Revised 6/87
Revised 2/98
Revised 2/01
Revised 1/02
Revised 2/04

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Q:\REFERENCE\BOARD PACKET\2001\02\REGULAR MEETING\FARE POLICY REVISED.DOC
Q:\Reference\Board Packet\2002\01\Regular Mtg\fare policy.doc

GROUP PASS PROGRAM

OBJECTIVES

A Group Pass Program is one in which the cost of transit fares is shared by a group. All persons within the group receive the transit benefit whether or not they actually use the service. The employer enters into an annual contract for services with LTD. In this way, the cost per person for the service is significantly reduced, and ridership within the group can be expected to increase significantly.

Group pass programs attempt to:

1. Increase ridership and ridership productivity (rides per service hour);
2. Maintain or increase the farebox to operating cost ratio; and
3. Decrease the cost per trip.

The establishment of these programs is based on the premise that increased use of transit, as a replacement to the single-occupancy vehicle, is a goal established by our community because it will provide numerous benefits. In order to meet that goal, LTD should aggressively pursue fiscally responsible programs that increase use of the bus, particularly in areas with traffic congestion, parking or air quality problems, or where there is a transportation need that can be effectively addressed with public transit.

APPLICATION

The following guidelines apply to all group pass programs established by the District.

PROGRAM GUIDELINES

Qualifying Organizations

The District will consider any organization, public or private, for a group pass program if it:

1. Includes at least 10 individuals
2. Is financially capable and legally empowered to enter into a contract with LTD and meet the financial obligations dictated by that contract. The group pass program will apply to all members in the organization.
3. LTD will consider qualifying organizations on a first-come/first-served basis, only if LTD has the service and equipment capacity to serve that organization.

Pricing

Revenue from organizations that participate in the group pass programs will be computed according to whether or not an organization contributes to the LTD payroll tax and to group size. All organizations participating in the group pass program will provide revenue that meets the following two criteria:

1. A base rate per employee per month will be levied on individuals within the organization. The base rate will be increased annually, not to exceed, the three-year rolling average of operating costs realized by the District. The base rates are:

Taxpayers -	\$3.00 per employee per month
Non Taxpayers -	\$3.50 per employee per month

Rates effective January 1, 2002
2. The cost of additional service that is instituted by the District to directly respond to increased ridership resulting from the group pass program

Term of the Contract

Contracts will normally be for a one-year period, with annual renewals. Yearly evaluation, at a level appropriate for the size of the organization, is to be conducted of each group pass program prior to renewing the contract to determine if the pricing criteria are still being satisfied.

Whenever possible, the District will seek to have the group pass programs institutionalized in order to reduce the possibility of programs becoming discontinued from one year to the next. This is obviously of greatest concern with the larger group pass programs, which require significant capital and operational investment and expenditures.

Operational Issues

Group pass participants are to have photo identification that is easily verified by the bus driver. The photo identification may be either the organization's, in which case it must have an LTD validating sticker, or issued by the District. In either case, the cost of issuing the photo identification will be borne by the organization. Participating organizations will be responsible for administering the program within their organizations.

Marketing

The District will provide trip planning assistance for the individuals of a group pass organization. Marketing of the service to individuals of a group pass organization will be conducted where it is determined to have a significant impact on ridership.

MAINTENANCE

The Service Planning Manager is responsible for monitoring and making recommendations for modifications to this program.



Group Pass Participants List February 2004

*AccuTel, Inc.
Bear Creek Corporation/Harry & David
Best Software
Center for Appropriate Transport
City of Eugene
Creative Minds Alternative School
Dept of Justice–Civil Enforcement Division
Down To Earth
Downtown Eugene Incorporated
Eugene Free Net (EFN Company)
Eugene Weekly
Harrang/Long/Gary/Rudnick
Industrial Adhesives, Inc.
Lane Community College
Lane Council of Governments
Lane County Law & Advocacy Center/Legal Aid
Looking Glass Counseling Center
Lunar Logic
Mobility International USA
Network Charter Schools
Northwest Youth Corps OutDoor School
Oregon Dialysis Services/Fresenius
Oregon Eugene Mission
Peace Health Oregon*

*Cottage Grove Hospital and Clinic
Oregon Endoscopy
Oregon Medical Laboratories (OML)
Peace Health Information Technology
Peace Health Medical Group
Sacred Heart Medical Center
Providence Health Plans
Rainbow Optics
SAFE, Inc.
Special Mobility Services
Sperry Tree Care Co.
Symantec Corporation
Taco Time Corporate Stores
Taylor Nelson, Sofres Intersearch (TNS)
University of Oregon
UO Faculty and Staff
UO High School Equivalency Program
UOStudents (Associated Students of UO)
UO Bookstore, Inc.
Venture Data, LLC
WBGS Architecture & Planning, P.C.
Wellsprings Friends School
West Bros. BBQ
Wild Oats
Willamette Leadership Academy*

Forty-four (44) businesses with 41,013 participants!

AGENDA ITEM SUMMARY

- DATE OF MEETING:** February 18, 2004
- 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. **Public Relations Plan:** A proposed public relations plan will be brought to the Board for approval at the March 17, 2004, meeting.
 - B. **Bus Advertising Policy:** Recommended changes to the LTD bus advertising policy will be discussed with the Board at the March 17, 2004, meeting.
 - C. **FY 2004-05 Annual Route Review/Service Recommendations:** A public hearing and approval of the FY 2004-05 service recommendations will be scheduled for March 17, 2004.
 - D. **FY 2004-05 Pricing Plan:** A public hearing and approval of recommended changes to the Pricing Plan will be scheduled for the March 17, 2004, Board meeting.
 - E. **Joint Meetings with City Councils:** The Board is scheduled to meet in joint work sessions with the Eugene City Council on February 23 and with the Springfield City Council on May 24, 2004.
 - F. **LTD Budget Committee Meetings:** Budget Committee meetings are scheduled for Wednesday, April 28, and Thursday, April 29, 2004. Budget adoption will occur at the June 16, 2004, regular Board meeting.
 - G. **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 to the Board of Directors

February 18, 2004

Prepared by Ken Hamm, General Manager

FUTURE DATES TO REMEMBER

March 1-4 , 2004	United Front in Washington, D.C.
March 7-9, 2004	APTA Legislative Conference
March 15, 2004	LTD Special Board Meeting/Work Session (tentative)
March 17, 2004	LTD Regular Board Meeting
April 19, 2004	LTD Special Board Meeting/Work Session (tentative)
April 21, 2004	LTD Regular Board Meeting
April 28, 2004	LTD Budget Committee Meeting
April 29, 2004	LTD Budget Committee Meeting

INTERNAL ACTIVITIES

APTA GM/Board/Support Seminars

Board members Hillary Wylie, Gerry Gaydos, and Susan Ban attended the APTA seminars with General Manager Ken Hamm and Clerk of the Board Jo Sullivan in Santa Monica. Presentation and discussions occurred on many topics, including: "Turf wars, egos and bureaucracy," recent labor issues and settlements, national procurement working group results, the board/CEO relationship (best practices), reorganizations, business ethics, and more. Two highlights were (1) a personal conversation with FTA Administrator Jenna Dorn and her deputy, Robert Jamieson; and (2) a ride aboard a magnetically-guided demonstration bus provided by the University of California at Berkeley team.

Joyce Ziemplak

As you probably know, Joyce was tragically killed on February 2. She was a ten-year employee in the LTD Human Resources Department. The whole organization is mourning her loss. Her memorial service was Friday, February 6.

New Buses

LTD has received the five New Flyer articulated buses we ordered. Director of Maintenance Ron Berkshire expects to sign off on them in the next week. Training for the mechanics is scheduled for the weeks of February 16 and 23. Operator training also will begin immediately. We expect these new buses to be in service by mid-March.

Ultra-Low Sulfur Fuel

The new buses burn ultra-low-sulfur fuel. This is different from the low-sulfur fuel our current buses run on. To have that fuel on site, LTD is pumping out its unleaded gas tank and using it for the new fuel. Gasoline-driven support vehicles will be fueled at a Pacific Pride card lock location nearby until a better alternative is identified.

EXTERNAL ACTIVITIES

Diversity

Director of Human Resources Mary Neidig and I attended a diversity workshop intended to follow up on the Memorandum of Understanding signed by the public jurisdictions in the Eugene/Springfield metro area. Plans for progress were put in place. LTD will look to achieve some measurable outcomes.

Springfield Chamber Banquet

Your GM attended the Springfield Chamber Awards Banquet on January 23.

CEO Eugene Chamber

Eugene Chamber President Dave Hauser and I met on January 26th to discuss LTD's relationship with the business community, increasing the payroll tax, and other business.

Eugene Chamber Banquet

Your GM attended the Eugene Chamber Celebration of Business at the Hilton on January 28.

Springfield City Councilor

New Springfield City Councilor Tim Malloy was hosted by LTD on February 5th and given a thorough orientation on our services and BRT.

LTD's Strategic Goals:

- **Deliver reliable services**
- **Develop innovative services**
- **Maintain fiscal integrity**
- **Provide progressive leadership**
- **Develop a team environment**

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: WORK SESSION: PREPARE FOR JOINT MEETING OF LTD BOARD AND EUGENE CITY COUNCIL

PREPARED BY: Ken Hamm, General Manager

ACTION REQUESTED: None. Information only

BACKGROUND: A joint meeting of the LTD Board and the Eugene City Council will be held on February 23, 2004. The agenda for that meeting is on the following page.

This work session is an opportunity for the Board to discuss the agenda and to determine board positions, if any, on the various items. It is also an opportunity to determine presentation assignments for each of the agenda items.

ATTACHMENTS:

- (1) Joint Meeting Agenda
- (2) Eugene City Council Agenda Item Summary
- (3) Draft Central Area Transportation Study (CATS) Update – Transit System Section

PROPOSED MOTION: None



*Lane Transit District
P. O. Box 7070
Eugene, Oregon 97401
(541) 682-6100
Fax: (541) 682-6111*

**Joint Meeting
LTD Board and Eugene City Council
February 23, 2004 - 5:30 p.m.
Council Chamber, City Hall; 777 Pearl Street, Eugene**

Agenda

1. **Welcome/Introductions** – Mayor Torrey, LTD Board President Hillary Wylie
2. **Bus Rapid Transit** (40 minutes)
 - Update on Franklin Corridor (schedule, vehicle) – Pat Hocken
 - Update on Pioneer Parkway Corridor – Pat Hocken
 - Coburg Road BRT Planning – Susan Ban, George Poling
 - Funding – Pat Hocken
3. **Service Planning** (20 minutes)
 - Funding Challenges – Pat Hocken
 - Service reductions process and schedule – Dave Kleger
 - AVL/APC Project – Dave Kleger
4. **Downtown Transportation Issues** (15 minutes)
 - CATS – Gerry Gaydos
 - Federal Courthouse – Gerry Gaydos
 - Breeze - Gerry Gaydos
5. **Adjournment**

Alternative formats of printed material and or 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).

THIRD AMENDMENT TO THE RESTATEMENT OF THE
LANE TRANSIT DISTRICT SALARIED EMPLOYEES' RETIREMENT PLAN
DATED JUNE 19, 2002

The restatement of the LANE TRANSIT DISTRICT SALARIED EMPLOYEES' RETIREMENT PLAN dated June 19, 2002, and amended December 16, 2002, and September 17, 2003 (the Plan), is amended effective February 1, 2004, to treat ALENA ZIEMLAK as JOYCE ZIEMLAK's Beneficiary under Plan Section 1.2 with respect to the survivor benefit provided in Plan Section 8.5. LANE TRANSIT DISTRICT reserves the right to amend the Plan to reduce (including to zero) the part of such survivor benefit payable to ALENA ZIEMLAK as LANE TRANSIT DISTRICT deems appropriate to adjust for any right of another to receive part or all of the survivor benefit. No later amendment or restatement of the Plan as amended by this Third Amendment shall affect this Third Amendment unless such amendment or restatement specifically refers to and specifically amends this Third Amendment.

DATED February 18, 2004.

LANE TRANSIT DISTRICT

By _____
Hillary Wylie
President, Board of Directors

THIRD AMENDMENT

Q:\Reference\Board Packet\2004\02\Regular Mtg\ltd plan db salaried 2002 amendment 3d 040218 final.doc

THIRD AMENDMENT TO THE RESTATEMENT OF THE
LANE TRANSIT DISTRICT SALARIED EMPLOYEES' RETIREMENT PLAN
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DATED February 18, 2004.

LANE TRANSIT DISTRICT

By _____
Hillary Wylie, Chair of Board of Directors

THIRD AMENDMENT TO THE RESTATEMENT OF THE
LANE TRANSIT DISTRICT SALARIED EMPLOYEES' RETIREMENT PLAN
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DATED February 18, 2004.

LANE TRANSIT DISTRICT

By _____

Hillary Wylie, Chair of Board of Directors

THIRD AMENDMENT

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: BRT: MLK JR. PARKWAY DESIGN

PREPARED BY: Stefano Viggiano, Director of Development Services

ACTION REQUESTED: Make Commitment on Purchase of Property for BRT along Martin Luther King Jr. (MLK) Parkway

BACKGROUND: The Pioneer Parkway BRT project has been through a preliminary design process and is now in environmental review. One section of the corridor that was not addressed during the preliminary design process was the section of the new MLK Parkway just north of Hayden Bridge Way. The MLK Parkway is a new road that will be constructed along an old railroad right-of-way (ROW). The section just north of Hayden Bridge Way travels between backyards of homes. The existing 60-foot ROW is approximately 16 feet less than will be needed to accommodate the road. Including dedicated ROW for BRT would require widening the ROW by an additional 6 to 14 feet, depending on the option that is selected.

MLK Parkway is scheduled to be under construction in 2005. The BRT project will not be ready for construction until at least 2007. If the road is built without including the added ROW for BRT, it is unrealistic to expect that the BRT right-of-way could be added at a later date. Consequently, a decision on the ROW must be made as part of the road project. The Federal Transit Administration, recognizing the timing problem of these decisions, has authorized LTD to do a "protective buy" of land prior to the completion of the environmental review for the project.

The Springfield City Council will hold a public hearing on the MLK Parkway design on March 15, 2004, and could make a decision as early as that evening. The February 2004 Board meeting is the last scheduled Board meeting prior to that date.

LTD and Springfield staff have been working on various design options, with the hope that a mutually agreeable design can be identified. In addition, the Board BRT Committee will be meeting prior to the Board meeting to discuss the issue and may have a recommended course of action for the Board. Staff will be presenting the options, background information, and the possible Board Committee recommendation at the meeting.

ATTACHMENT: None

PROPOSED MOTION: To be determined

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

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 January 2004 performance reports will be handed out at the February 18, 2004, Board meeting.

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

ATTACHMENTS: None

PROPOSED MOTION: None

LANE TRANSIT DISTRICT

**Pricing Proposal Summary
2004-2005**

TYPE OF FARE:

Cash Fare

	Current:	Proposed:
Adult	\$1.25	\$1.25
Youth	\$0.60	\$0.60
Child	\$0.60	\$0.60
Reduced	\$0.60	\$0.60
Senior	\$0.60	\$0.60

Passes

Adult

1-Month:	\$35.00	\$35.00
3-Month:	Discontinue	Discontinue

Youth, Senior, Reduced

1-Month:	\$17.50	\$17.50
3-Month:	Discontinue	Discontinue

Day Pass

Adult

	\$2.50	\$2.50
--	--------	--------

Youth, Senior, Reduced

	\$1.25	\$1.25
--	--------	--------

Tokens

Adult	\$1.00	Discontinue general public sales.
Other	\$0.50	Discontinue general public sales.

RideSource (Staff Proposal)

	Current:	Proposed:
Regular	\$2.50	\$2.50
Escort	\$2.50	\$2.50
Shopper	\$2.00	\$2.00 *
10 Tickets	\$20.00	\$20.00

RideSource (STAC Proposal)

Regular	\$2.50	\$2.50
Escort	\$2.50	\$2.50
Shopper	\$2.00	\$2.00 *
10 Tickets	\$20.00	\$20.00

*Round-trip fare

Sales Outlet Wholesale Discount

	Current:	Proposed:
Passes		
0-500+	5.0%	5.0%
Tokens		
0-500+	5.0%	5.0%

Special Programs - not covered by ordinance

Breeze Fare	25-cents	50 cents
Group Pass	0%	5.90%
LCC Term Pass	\$54.00	Discontinue
Summer Youth Pass - June/July/Aug		\$40.00

Current quarterly rates: \$9.54/\$11.13
Proposed quarterly rates: \$10.10/\$11.79

Fare Media Relationships

Current	Media Type	Adult Price	Cost per Trip*	Monthly Cost*	Percent Discount
	Cash	\$1.25	\$1.25	\$50.00	0%
	Tokens	\$1.00	\$1.00	\$40.00	20%
	Monthly Pass	\$35.00	\$0.88	\$35.00	30%
	3-Month Pass	\$85.00	\$0.71	\$28.33	43%

Proposed	Media Type	Adult Price	Cost per Trip*	Monthly Cost*	Percent Discount
	Cash	\$1.25	\$1.25	\$50.00	0%
	Tokens*	\$1.25	\$1.25	\$50.00	0%
	Monthly Pass	\$35.00	\$0.88	\$35.00	30%

* Tokens sold only to agencies. Not available to the general public.

Comparison of Fare Media Prices
UNCC Peer Group
Sorted by Cash Fare

	Adult Cash Fare	Token or Single Ride Fare	Daily Pass	Adult Monthly Pass	Adult Multi-Month Pass
Reno, Nevada	\$1.50	\$1.50	\$4.00	\$60.00	n/a
Tacoma, Washington	\$1.25	\$1.14	n/a	\$45.00	n/a
Lane Transit District	\$1.25	\$1.00	\$2.50	\$35.00	\$85 (3 month)
Vancouver, Washington	\$1.00	n/a	\$3.50	\$28.00	\$308 (annual)
Spokane, Washington	\$1.00	\$1.00	n/a	\$33.00	n/a
Santa Cruz, California	\$1.00	n/a	\$3.00	\$40.00	n/a
Santa Barbara, California	\$1.00	\$1.00	n/a	n/a	n/a
Lansing, Michigan	\$1.00	\$0.85	n/a	\$30.00	n/a
Fresno, California	\$1.00	\$0.85	n/a	\$35.00	n/a
Charelston, South Carolina	\$1.00	\$0.80	\$3.00	\$22.00	\$28 (40 rides)
Ann Arbor, Michigan	\$1.00	\$1.00	n/a	\$37.50	n/a
Average	\$0.96	\$0.91	\$2.75	\$32.03	
South Bend, Indiana	\$0.75	n/a	n/a	\$30.00	n/a
Salem, Oregon	\$0.75	\$0.68	n/a	\$20.00	n/a
Olympia, Washington	\$0.75	n/a	\$1.50	\$25.00	n/a
Boise, Idaho	\$0.75	\$0.70	n/a	\$27.00	n/a
Bakersfield, California	\$0.75	\$0.75	\$1.75	\$25.00	n/a
Corpus Christi, Texas	\$0.50	\$0.50	n/a	\$20.00	n/a

Data collected through transit district Web site information.

Year-to-Date Revenue Projections Based on 2002/2003 Fare Changes

	Annual Sales	Current Price	Revenue	Projected Sales		Proposed Price	Projected Revenue	Difference
Adult Monthly	32515	\$28	\$910,420	26662	-18%	\$35	\$933,181	\$22,761
Youth Monthly	18092	\$14	\$253,288	16283	-10%	\$17.50	\$284,949	\$31,661
Reduced Fare Monthly	5984	\$14	\$83,776	5745	-4%	\$17.50	\$100,531	\$16,755
Senior Monthly	2113	\$14	\$29,582	1859	-12%	\$17.50	\$32,540	\$2,958
Adult 3 Month	1287	\$65	\$83,655	1236	-4%	\$85	\$105,019	\$21,364
Youth 3 Month	2392	\$32.50	\$77,740	1794	-25%	\$42.50	\$76,245	-\$1,495
Reduced Fare 3 Month	1153	\$32.50	\$37,473	1176	+2%	\$42.50	\$49,983	\$12,510
Senior 3 Month	628	\$32.50	\$20,410	534	-15%	\$42.50	\$22,687	\$2,277
Adult Tokens	157435	\$0.85	\$133,820	181050	+15%	\$1	\$181,050	\$47,231
Reduced Tokens	71418	\$0.42	\$29,996	78560	+10%	\$0.50	\$39,280	\$9,284
LCC Term Pass	7754	\$43	\$333,422	7521	-7%	\$54	\$406,155	\$72,733
Group Pass Revenue			\$375,000				\$457,000	\$82,000
			\$2,368,581				\$2,688,619	
Estimated Additional Revenue								\$320,038

LANE TRANSIT DISTRICT

**Pricing Proposal Summary
2003-2004**

TYPE OF FARE:

Cash Fare

	Current:	Proposed:
Adult	\$1.25	\$1.25
Youth	\$0.60	\$0.60
Child	\$0.60	\$0.60
Reduced	\$0.60	\$0.60
Senior	\$0.60	\$0.60

Passes

Adult		
1-Month:	\$35.00	\$35.00
3-Month:	\$85.00	\$85.00

Youth, Senior, Reduced

1-Month:	\$17.50	\$17.50
3-Month:	\$42.50	\$42.50

Day Pass

Adult	\$2.50	\$2.50
Youth, Senior, Reduced	\$1.25	\$1.25

Tokens

Adult	\$1.00	\$1.00
Other	\$0.50	\$0.50

RideSource (Staff Proposal)

	Current:	Proposed:
Regular	\$2.50	\$2.50
Escort	\$2.50	\$2.50
Shopper	\$2.00	\$2.00 *
<i>10 Tickets</i>	\$20.00	\$20.00

RideSource (STAC Proposal)

Regular	\$2.50	\$2.50
Escort	\$2.50	\$2.50
Shopper	\$2.00	\$2.00 *
<i>10 Tickets</i>	\$20.00	\$20.00

*Round-trip fare

Sales Outlet Discount

	Current:	Proposed:
Passes		
0-500+	5.0%	5.0%
Tokens		
0-500+	5.0%	5.0%

Special Programs - not covered by ordinance

Breeze Fare	25-cents	25-cents
Group Pass	6%	3.65%
LCC Term Pass	\$54.00	\$54.00
Summer Youth Pass - July/Aug/Sept		\$34.95

Projected Revenues Based on 2002/2003 Fare Changes

	Annual Sales	Current Price	Revenue	Projected Sales	Proposed Price	Projected Revenue	Difference
Adult Monthly	32515	\$28	\$910,420	29264	\$35	\$1,024,223	\$113,803
Youth Monthly	18092	\$14	\$253,288	16283	\$17.50	\$284,949	\$31,661
Reduced Fare Monthly	5984	\$14	\$83,776	5386	\$17.50	\$94,248	\$10,472
Senior/Child Monthly	2113	\$14	\$29,582	1902	\$17.50	\$33,280	\$3,698
Adult 3 Month	1287	\$65	\$83,655	1158	\$85	\$98,456	\$14,801
Youth 3 Month	2392	\$32.50	\$77,740	2153	\$42.50	\$91,494	\$13,754
Reduced Fare 3 Month	1153	\$32.50	\$37,473	1038	\$42.50	\$44,102	\$6,630
Senior/Child 3 Month	628	\$32.50	\$20,410	565	\$42.50	\$24,021	\$3,611
Adult Tokens	157435	\$0.85	\$133,820	147989	\$1	\$147,989	\$14,169
Reduced Tokens	70418	\$0.42	\$29,576	66193	\$0.50	\$33,096	\$3,521
LCC Term Pass	7754	\$43	\$333,422	6513	\$54	\$351,721	\$18,299
Group Pass Revenue			\$375,000			\$535,800	\$160,800
Estimated Additional Revenue							\$395,218

Comparison of Fare Media Prices
UNCC Peer Group
Sorted by Pass Fare

	Adult Cash Fare	Token or Single Ride Fare	Daily Pass	Adult Monthly Pass	Adult Multi-Month Pass
Reno, Nevada	\$1.50	\$1.50	\$4.00	\$60.00	n/a
Tacoma, Washington	\$1.25	\$1.14	n/a	\$45.00	n/a
Santa Cruz, California	\$1.00	n/a	\$3.00	\$40.00	n/a
Ann Arbor, Michigan	\$1.00	\$1.00	n/a	\$37.50	n/a
Lane Transit District	\$1.25	\$1.00	\$2.50	\$35.00	\$85 (3 month)
Fresno, California	\$1.00	\$0.85	n/a	\$35.00	n/a
Spokane, Washington	\$1.00	\$1.00	n/a	\$33.00	n/a
Average	\$0.96	\$0.91	\$2.75	\$32.03	
Lansing, Michigan	\$1.00	\$0.85	n/a	\$30.00	n/a
South Bend, Indiana	\$0.75	n/a	n/a	\$30.00	n/a
Vancouver, Washington	\$1.00	n/a	\$3.50	\$28.00	\$308 (annual)
Boise, Idaho	\$0.75	\$0.70	n/a	\$27.00	n/a
Bakersfield, California	\$0.75	\$0.75	\$1.75	\$25.00	n/a
Olympia, Washington	\$0.75	n/a	\$1.50	\$25.00	n/a
Charelston, South Carolina	\$1.00	\$0.80	\$3.00	\$22.00	\$28 (40 rides)
Salem, Oregon	\$0.75	\$0.68	n/a	\$20.00	n/a
Corpus Christi, Texas	\$0.50	\$0.50	n/a	\$20.00	n/a
Santa Barbara, California	\$1.00	\$1.00	n/a	\$0.00	n/a

Data collected through transit district Web site information.

LTD Pricing History

Year	Consumer Price Index		Adult Cash Price		Adult Token Price		Adult Pass Price	
	Yearly Increase	Cumulative Increase	Actual Price	Percent Change	Actual Price	Percent Change	Actual Price	Percent Change
1981-82	0.00	0.00	\$0.50	0.00	\$0.40	0.00	\$18.00	0.00
1982-83	-0.62%	-0.62%	\$0.55	10.00%	\$0.45	12.50%	\$20.00	11.11%
1983-84	2.97%	2.34%	\$0.55	0.00%	\$0.50	11.11%	\$20.00	0.00%
1984-85	3.59%	5.93%	\$0.55	0.00%	\$0.50	0.00%	\$20.00	0.00%
1985-86	3.53%	9.47%	\$0.60	9.09%	\$0.50	0.00%	\$20.00	0.00%
1986-87	0.32%	9.78%	\$0.60	0.00%	\$0.50	0.00%	\$20.00	0.00%
1987-88	2.52%	12.30%	\$0.65	8.33%	\$0.50	0.00%	\$20.00	0.00%
1988-89	3.69%	15.99%	\$0.65	0.00%	\$0.55	10.00%	\$20.00	0.00%
1989-90	3.61%	19.60%	\$0.65	0.00%	\$0.55	0.00%	\$21.00	5.00%
1990-91	4.58%	24.18%	\$0.65	0.00%	\$0.55	0.00%	\$21.00	0.00%
1991-92	6.26%	30.44%	\$0.75	15.38%	\$0.55	0.00%	\$21.00	0.00%
1992-93	4.58%	35.02%	\$0.75	0.00%	\$0.65	18.18%	\$22.00	4.76%
1993-94	3.42%	38.44%	\$0.75	0.00%	\$0.65	0.00%	\$23.00	4.55%
1994-95	2.88%	41.32%	\$0.80	6.67%	\$0.65	0.00%	\$23.00	0.00%
1995-96	3.24%	44.56%	\$0.80	0.00%	\$0.65	0.00%	\$24.00	4.35%
1996-97	3.09%	47.65%	\$0.80	0.00%	\$0.65	0.00%	\$26.00	8.33%
1997-98	1.72%	49.37%	\$1.00	25.00%	\$0.65	0.00%	\$26.00	0.00%
1998-99	1.89%	51.26%	\$1.00	0.00%	\$0.75	15.38%	\$26.00	0.00%
1999-2000	2.40%	53.66%	\$1.00	0.00%	\$0.75	0.00%	\$28.00	7.69%
2000-01	3.50%	57.16%	\$1.00	0.00%	\$0.85	13.33%	\$28.00	0.00%
2001-02	2.60%	59.76%	\$1.25	25.00%	\$0.85	0.00%	\$28.00	0.00%
2002-03	3.65%	63.41%	\$1.25	0.00%	\$1.00	17.65%	\$35.00	25.00%
Total % Change								
Since 1981-82 --->		63.4%	99.5%		98.2%		70.8%	
2003-04	3.00%	66.41%	\$1.25	0.00%	\$1.00	0.00%	\$35.00	0.00%
2004-05	3.00%	69.41%	\$1.35	8.00%	\$1.00	0.00%	\$35.00	0.00%
2005-06	3.00%	72.41%	\$1.35	0.00%	\$1.10	10.00%	\$35.00	0.00%
2006-07	3.00%	75.41%	\$1.35	0.00%	\$1.10	0.00%	\$40.00	14.29%
2007-08	3.00%	78.41%	\$1.50	11.11%	\$1.10	0.00%	\$40.00	0.00%
Projected % Change --->		78.41%	118.6%		108.16%		85.08%	

Lane Transit District

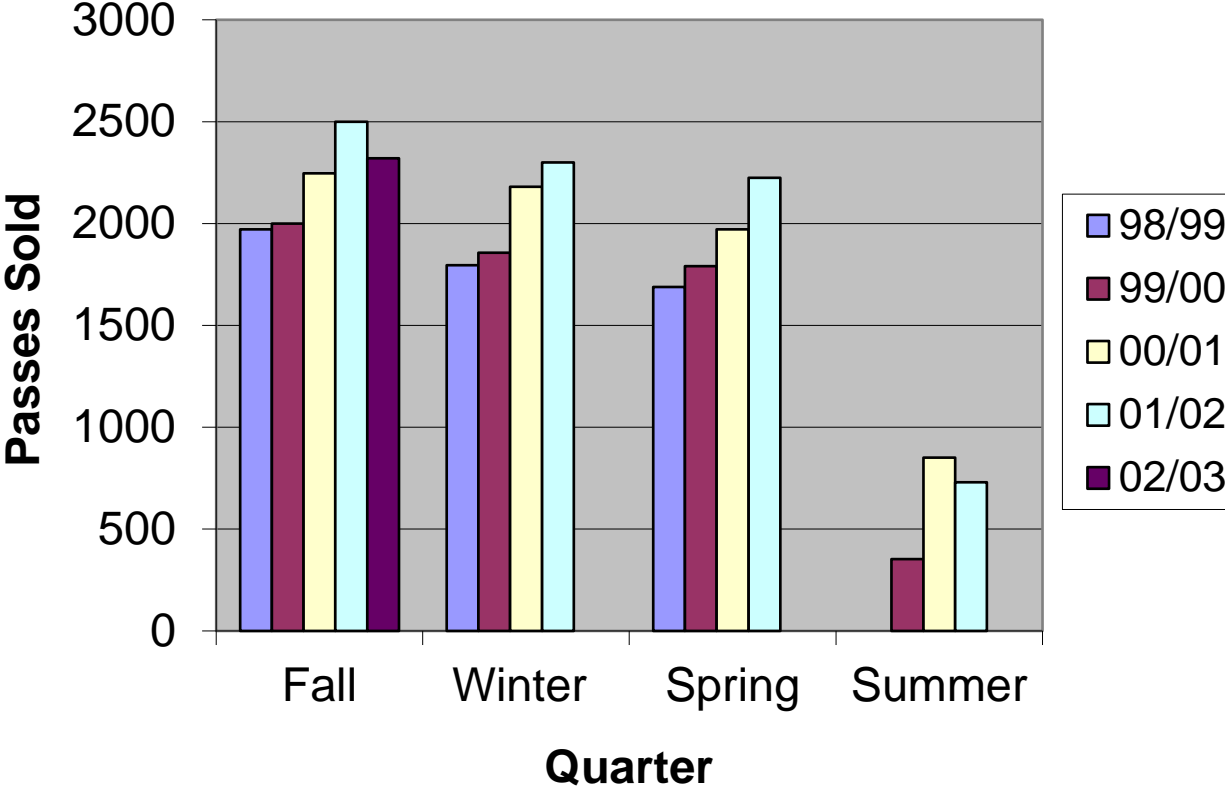
Direct Service Cost per Service Hour by Fiscal Year

For use as inflationary increase for group pass contracts.

Prepared from the Fully Allocated Cost Plan based on audited expenses for the fiscal year. ending June 30, 2002

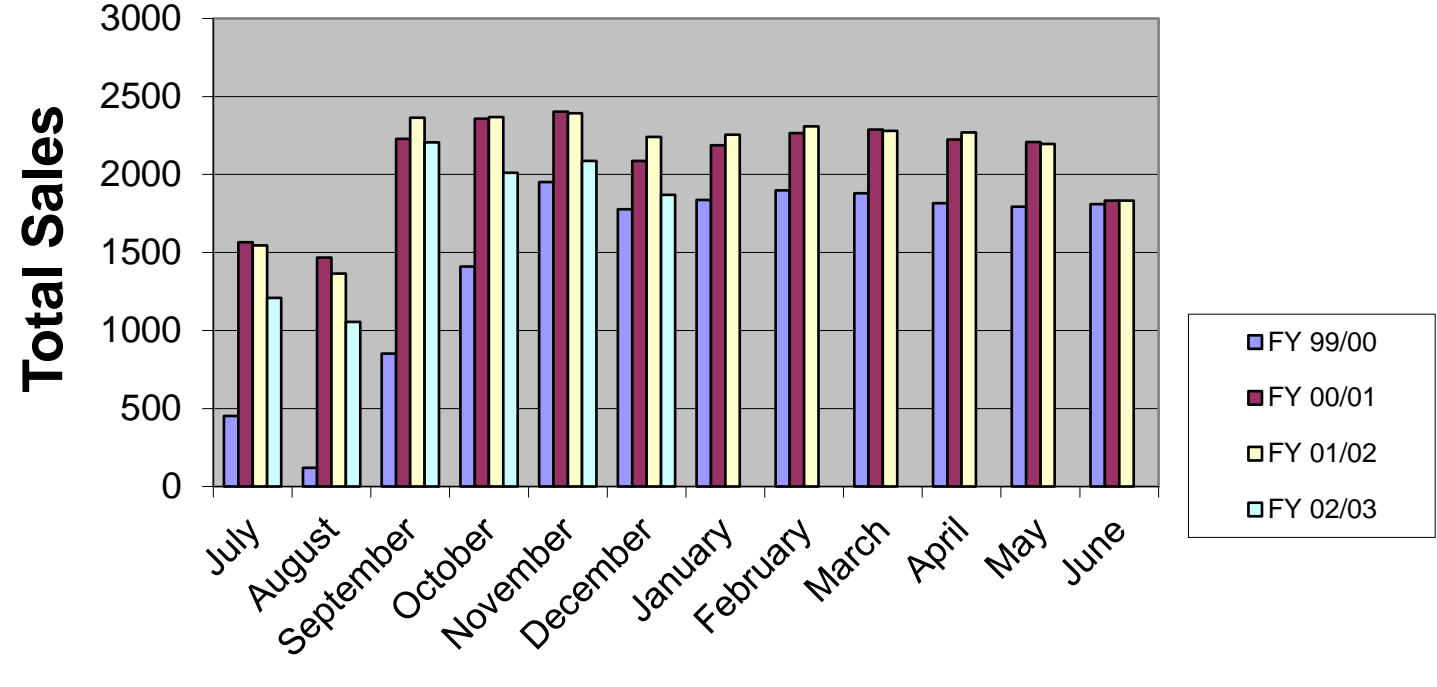
Direct Variable Costs						
Fiscal Year	Operator Cost per Service Hour	Percent Increase	Maintenace Cost per Service Hour	Percent Increase	Total Direct Service Cost	Percent Increase
FY 1994 - 1995	23.00		9.87		32.87	
FY 1995 - 1996	23.97	4.2%	10.10	2.3%	34.07	3.7%
FY 1996 - 1997	24.08	0.5%	10.89	7.8%	34.97	2.6%
FY 1997 - 1998	25.64	6.5%	10.09	-7.3%	35.73	2.2%
FY 1998 - 1999	26.63	3.9%	10.77	6.7%	37.40	4.7%
FY 1999 - 2000	27.58	3.6%	11.84	9.9%	39.42	5.4%
FY 2000 - 2001	30.84	11.8%	13.65	15.3%	44.49	12.9%
FY 2001 - 2002	31.97	3.7%	11.02	-19.2%	42.99	-3.4%
Three-Year Average FY 1997-1998, 1998-1999, 1999-2000						4.1%
Three-Year Average FY 1998-1999, 1999-2000, 2000-2001						7.6%
Three-Year Average FY 1999-2000, 2000-2001, 2001-2002						5.0%

LCC Term Bus Pass Sales





LTD Youth Pass Sales



Breeze Fare Analysis

Fall 2002

Date	CASH	TOKEN	Display DAY PASS	Purchase DAY PASS	UO PASS	GROUP PASS	LTD Monthly 3-Month Pass	OTHER	Total
10/22/2002	13	1	16	5	101	10	39	14	199
10/23/2002	13	0	19	1	62	11	20	1	127
10/24/2002	15	0	18	7	79	24	41	0	184
10/25/2002	13	0	16	0	60	9	14	0	112
Totals	54	1	69	13	302	54	114	15	622
Percentage	8.7%	0.2%	11.1%	2.1%	48.6%	8.7%	18.3%	2.4%	
	CASH	TOKEN	Display DAY PASS	Purchase DAY PASS	UO PASS	GROUP PASS	LTD Monthly 3-Month Pass	OTHER	

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: REVISION TO LTD SALARIED EMPLOYEES' RETIREMENT PLAN

PREPARED BY: Mary Neidig, Director of Human Resources

ACTION REQUESTED: Approve a one-time revision to the retirement plan related to the survivor benefits for Joyce A. Ziemplak

BACKGROUND: Joyce Ziemplak, senior human resources specialist, passed away unexpectedly on February 2, 2004. Joyce was a member of LTD's Salaried Employees' Retirement Plan. During the process of executing her benefits, it was discovered that Ms. Ziemplak did not have a designated beneficiary for her survivor benefit. Under the current terms of the plan, the survivor benefit could not be awarded to anyone.

After careful discussion with Everett Moreland, attorney to the Salaried Employees' Retirement Plan, it was determined that the LTD Board of Directors has the authority to take a formal action to approve a plan change retroactively. As a result of this legal advice, and with assistance from the attorney, draft language was prepared for your consideration and action.

ATTACHMENT: Third Amendment to the Restatement of the Lane Transit District Salaried Employees' Retirement Plan Dated June 19, 2002

PROPOSED MOTION: I move the following resolution:

LTD Resolution No. 2004-006: It is hereby resolved that Lane Transit District Board of Directors approves the Third Amendment to the Restatement of the Lane Transit District Salaried Employees' Retirement Plan Dated June 19, 2002.

LTD BOARD FINANCE COMMITTEE AGENDA ITEM SUMMARY

DATE OF MEETING: February 11, 2004

ITEM TITLE: Revenue Opportunities

PREPARED BY: Andy Vobora, Service Planning and Marketing Manager

ACTION REQUESTED: Discussion and Direction

BACKGROUND: Lane Transit District has a number of fare discount programs that benefit our guests and partner organizations. These programs have the potential to generate additional revenues for the District and should be evaluated as a means to address the current budget situation.

WHOLESALE DISCOUNTS

LTD offers sales of passes and tokens through retail establishments and has partnerships with governmental agencies to distribute fare instruments to their clients. Purchases by these groups are made at a 5 percent discount. In 2002, the Board reduced the wholesale discount from 10 percent to 5 percent, which resulted in a small number of sales outlets stopping their participation. This did not seem to have an affect on the sales of fare instruments, and the overall geographic coverage provided by remaining sales outlets appeared to sufficiently meet the needs of LTD guests.

If the District were to eliminate the wholesale price discounts, an estimated \$65,000 in revenue would be saved. There are a number of issues related to making such a change:

- Loss of sales outlets – It is likely that most private sales outlets would drop out of the sales program. This would mean less convenience for guests and an increase in sales at the Guest Service Center (GSC). Increasing sales at the GSC may not be a bad outcome because we are staffed during a wide range of hours and more efficient use of this resource is a benefit.
- Fewer deliveries – With fewer outlets to deliver to, GSC staff would be more available to assist at the GSC sales counter and have more time to reconcile the increased sales.
- Finance staff time – With fewer sales outlets to bill, Finance staff would have additional time to spend on other activities.
- Internet sales – Guests may find internet sales options more appealing. A question we cannot answer is how many guests have debit or credit cards available to make internet purchases.

- Government agencies – Budgets for purchasing passes and tokens would be reduced as current savings are applied to purchases.

Staff Recommendation: Eliminate the wholesale discount for public agencies, but maintain the program for private sales outlets.

SSI DISCOUNTED PASS PROGRAM

Following a major effort to review LTD's Reduced Fare Program, a number of guests were eliminated from the program based upon their disability. These guests generally fell into a category of individuals who were suffering some form of illness or injury that was not severe enough to warrant certification into the Reduced Fare Program.

Following testimony from these guests, agency personnel, and local care providers, the LTD Board directed staff to develop a separate program to meet the needs of this group. The SSI program was developed, which included a half-fare monthly pass option for these guests. As long as the guest maintained SSI certification, they were eligible to purchase a monthly pass at half fare.

In 2003, 4,160 SSI passes were sold at the \$17.50 rate. This translates into a discount value of \$72,800. Current records show that 293 individuals are certified in the SSI program, which translates into \$61,530 in estimated discount value for 2004.

In conversation with the director of Senior and Disabled Services, more information regarding the impact to guests was discovered. SDS evaluates client's needs according to the medical trips they need to make each month. If the cost of these trips is less than the cost of an LTD pass, the trips are scheduled using taxis. The cost of taxi rides and LTD passes is reimbursed through Medicaid. Medicaid covers the medical costs for SSI recipients and this includes the cost of transportation. This means that there is no impact for individuals who receive their pass through SDS. A small number of guests buy SSI passes directly from LTD, but this number is minimal.

The SSI program is not a mandatory program and, therefore, could be eliminated. Options for SSI program changes include the following:

- Leave the program alone – This will result in no additional revenue to LTD. Some administrative changes could be instituted that would free up some GSC staff time.
- Reduce the discount from 50 percent to 25 percent – A price increase from \$17.50 to \$26.25 would result in fewer sales but would likely increase revenues by approximately \$12,300 annually.

- Eliminate the discount – This would save GSC and Finance staff time, and increase revenue. A small decrease in pass sales may occur, but because most passes are distributed free through SDS most guests would continue to receive a pass.

Staff Recommendation: Eliminate the SSI program.

NON-PROFIT AGENCY DISCOUNT

The Non-Profit Agency Discount Program was established in 1991 as a way to assist agencies that were working with clients who were not connected with government programs. A \$300 per month donation to United Way was started prior to this discount program. Catholic Community Services was designated to distribute tokens for emergency medical trips and job searches. As the needs of individuals increased and private non-profits found themselves assisting in new ways, the program changed. LTD offered qualified agencies the opportunity to purchase fare instruments at one-half the retail price. The monthly amount available for purchase is currently set at \$375 per agency/program per month. When the program was established in 1991, the Board set an annual dollar cap of \$15,000. Several years ago a review of annual sales revealed that annual sales had been increasing as the number of agencies participating had increased. The Board reviewed annual sales figures approaching \$25,000 annually and believed that the amount was acceptable.

A recent review of the program uncovered a trend that has exposed the District to greater discounts in fare revenue. Agencies have certified specific programs under their umbrella and have expanded their ability to purchase half-priced fare instruments. For example, Centro Latino was originally certified as an agency and was given the opportunity to purchase \$375 in fare instruments each month. LTD receives \$187.50 in revenue from these purchases. Now Centro Latino has ten programs that have been certified using their 501-c-3 status, which increases their purchasing capacity to \$3,750 in fare instruments monthly. If maximized, LTD would receive \$1,875. Reviewing the past two-months sales records, Centro Latino has averaged \$1,600 in purchases. This illustrates how much more the District is exposed by the expansion of agencies adding individual programs. Centro Latino is by far the largest purchaser in the program.

Current records indicate there are 108 agencies/programs participating in the program. This means that LTD's maximum exposure each month is \$20,250 or \$243,000 annually. Based upon average monthly purchases, it appears that is discounting an average of \$5,991 in fare instruments per month. This translates into \$71,892 for the coming year.

There are a number of options that may be considered:

- Leave the program as it is currently configured – This will likely result in continued growth as additional private non-profit agencies join and as programs within these agencies expand.
- Cap the program – This could involve the number of agencies/ programs that can participate or the amount of fare instrument value that can be purchased. There may be a fairness issue related to capping the number of agencies that can participate, but the District could cap the number of individual programs that fall under an agency. Capping the \$375 dollar value available each month would slow the growth of the revenue discount; however, growth would continue if the number of participating agencies was allowed to increase. Capping the amount, on the basis of the umbrella agency, does not recognize that some programs simply have a larger client base with which they provide services.
- Reduce the monthly dollar value or discount – Reducing the dollar value from \$375 per month to \$200 per month would reduce the amount of fare instruments distributed by the District; however, we cannot assume that guests using these fare instruments have the ability to pay full price. If the discount amount was reduced from 50 percent to 25 percent, the agencies would pay a higher rate. Since agency budgets are limited, it is likely that fewer fare instruments would be purchased.
- Eliminate the program – Eliminating the program would save staff time at the GSC and in Finance. I believe it is safe to assume LTD would lose ridership if this program was eliminated; however, quantifying how much ridership is difficult. Some guests served by these programs would choose to ride LTD and pay full fare; however, many may not have the resources to pay full fare. This could result in a total loss of ridership by these individuals or a reduced number of trips taken at full fare.

Staff Recommendation: Consider elimination of the discount program in future years.

REDUCED FARE RE-CERTIFICATION

The Reduced Fare Program is a federally mandated program that provides half fare for seniors, Medicare cardholders, and individuals who by reason of illness or injury need special facilities or special training to effectively use public transportation.

Within the last ten years, LTD conducted a complete recertification of all Reduced Fare Program participants. This process helps clean up records for individuals who no longer live in the area, who are now over age 62 and receive half-fare status based upon age, or who are deceased. It also

provides an opportunity to review records for individuals who were certified but do not meet the federal definition of disabled as outlined in the FTA regulations.

In a review of current certifications, staff has discovered that a significant number of individuals received Reduced Fare certification but do not meet the certification guidelines. A change in the certification process will provide LTD an opportunity to rectify this situation in the future. While most Reduced Fare participants are certified “permanently,” there is an opportunity to review records in the coming year because the photo identification cards have been printed with a 2005 expiration date.

It is staff’s intent to scrutinize the records of all participants as new photo identification cards are processed throughout the coming year. This will result in some guests being denied eligibility in the program. These individuals may feel this has been done unjustly because they were originally approved and have been receiving the Reduced Fare benefit. Some may choose to voice their disagreement with the Board or pursue discrimination claims through FTA. LTD staff will take great care to ensure all eligible individuals maintain their Reduced Fare status. GSC staff estimate the number of affected guests could reach 1,000; however, there is no way to verify this number prior to processing the records. If 1,000 is a correct number, then the resulting increase in fare revenue could be significant. If all 1,000 were pass buyers, which they are not, the increase in fare revenue would approach \$210,000 annually. Determining the exact breakdown of guests paying cash, tokens, or passes is difficult and, therefore, no one should go to the bank with this \$210,000 figure. However, it is safe to assume that most of these individuals would continue to ride and would pay full fare, thereby increasing the District’s fare revenue.

LTD could choose to begin the stricter certification process now and leave all currently certified guests in the program. This would result in no additional fare revenue and a significant number of guests would be receiving a benefit they do not qualify for based upon their disability.

Staff Recommendation: Begin the recertification process using the FTA definition of disabled and using a new interview certification system.

ELIMINATE GENERAL PUBLIC TOKEN SALES

When we evaluate how guests pay fares, tokens represent a very small portion of the total. In the 1999 Origin and Destination Survey, tokens were used by 4 percent of all guests. Current annual token redemption stands at 229,315 full-fare tokens. If we assume that each token represents one trip, then the number of trips affected by this change would be 3.8 percent of the six million plus annual LTD trips. The actual impact may be slightly

greater than 3.8 percent due to the fact that most token users deposit two tokens and purchase a day pass. We do not have a current figure for how many trips are taken by the average day pass user; however, we know overall that our guests ride an average of 2.27 trips per day.

Tokens are discounted 20 percent from the base cash fare; therefore, eliminating tokens would result in a range of savings for LTD. At the maximum, assuming all token users paid cash fare, LTD would receive approximately \$65,000 in additional revenue. Some guests may move to purchasing monthly passes, which would have a negative impact on revenues. Note that most tokens are purchased by agencies and not the general public.

Eliminating tokens would have a significant impact on our non-profit discount program and on agency partners such as the Department of Human Services. These agencies purchase many tokens for their clients. Tokens work well because they have limited street value and, therefore, clients are inclined to use them for their intended purpose rather than sell them for cash. Staff would propose maintaining the sale of tokens to agencies. An alternative of selling day pass coupons was discussed, but the cost of printing and the potential for counterfeiting directed us back to maintaining tokens for these programs. As part of maintaining the sale of tokens, it is recommended that the price be increased to match the cash fare. The reason tokens are discounted for general public use is to encourage prepaid fare use and move guests toward the purchase of monthly passes. Many transit agencies offer tokens at full cash rates in order to provide a convenient “exact fare” instrument. If the District is not going to sell tokens to the general public, and is simply providing token sales because it meets the agency program needs, there does not seem to be any incentive for LTD to discount the fare. The Board should recognize that coupling this change, with the change to the wholesale discount, will have a negative affect on the buying power of the agencies. An option would be to phase this change in over two years. The discount could be reduced to 10 percent this year and then eliminated the following year.

The use of reduced fare (small) tokens is 34% of full-fare tokens. Most guests paying reduced fare use a full-fare token to purchase a day pass, therefore eliminating reduced fare tokens would benefit the District while having minimal impact on our guests. There will be a small number of guests who ride one bus, one way, who will be affected by this change.

Staff Recommendation: Eliminate general public token sales. Maintain token sales to the agencies at current rates. Eliminate reduced fare tokens. Consider elimination of the token price discount in future years.

REDUCE THREE-MONTH PASS DISCOUNTS

Lane Transit District has offered a discounted three-month pass for many years. Current pricing offers guests a 43 percent discount off cash fares. Staff has discussed eliminating the three-month option; however, there are benefits to both LTD and our guests that make it attractive to maintain. LTD receives a long-term commitment, has cash in the bank, and only needs to provide sales services four times per year. Guests receive three individual monthly passes, which reduces their liability in the event of a lost or stolen pass, and they receive an increased discount.

Over the past twelve months, a total of 4,365 three-month passes have been sold. Passes are sold to adults, youth, seniors, and reduced fare guests. The greatest number of sales is to youth who purchased 1,540 passes over the past twelve months. If we consider all categories, the average monthly sales is 364 or an average of 91 per category per month.

Decreasing the discount to 37 percent would result in a price increase of \$10 for the full-fare pass and \$5 on the reduced-fare pass. It is likely that guests will either pay the additional cost or switch to monthly pass purchases. Either way, the District should realize additional revenue. It does mean additional sales transactions for GSC staff to process monthly. If all current purchasers continue to purchase three-month passes, \$27,720 in additional revenue would be realized.

Eliminating the discount would likely result in bigger revenue increase and would create significant administrative time savings. If all three month pass purchasers switched to monthly passes, an additional \$55,430 in revenue may be realized.

Staff Recommendation: Eliminate the discount for three-month passes.

ELIMINATE THE LANE COMMUNITY COLLEGE FASTPASS

The FastPass is currently priced at \$54 and allows guests unlimited rides for the term. The program has been in place for many years and had been the primary pass program for LCC students, faculty, and staff. In the fall of 2003, a group pass program was started for credit students at LCC's main campus.

The term pass price had been subsidized by LCC in order to buy-down the price; however, this subsidy was discontinued this year and the full price is now paid by the purchaser. Sales have dropped significantly and it seems to make sense to discontinue the program and ask current purchasers to buy monthly or three-month passes. This eliminates the cost of printing the pass, distributing the pass, and billing the college, and reduces the number of passes bus operators must validate each day.

Staff Recommendation: Discontinue the sale of the LCC FastPass beginning fall term of 2004.

SUMMARY

Staff is interested in direction from the Committee regarding each of the programs discussed above.

RESULTS OF RECOMMENDED ACTION:

Based upon the Committee's direction, staff will draft program changes. Prior to presenting these to the full Board, efforts to communicate changes to affected individuals and agencies will occur. Affected parties will be invited to participate in the discussion and to develop other alternatives that may work for them and LTD.

ATTACHMENT:

LTD Fare Policy
Pricing Plan

PROPOSED MOTION:

None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: RIDE*SOURCE* FACILITY UPDATE

PREPARED BY: Lisa Gardner, Senior Strategic Planner

ACTION REQUESTED: None. Information only.

BACKGROUND: The Ride*Source* Facility project is proceeding on schedule. LTD completed acquisition of the 310 Garfield property on January 8, 2004. The property acquired includes an existing office building. LTD Facilities Manager Charlie Simmons, and Purchasing Manager Jeanette Bailor are coordinating the development of a management strategy for the 310 Garfield tenant building. LTD has signed a contract for temporary property management services to oversee the rental management and building maintenance until an assessment of the property management issues can be completed.

The architecture firm of WBGS is moving quickly on the building design, and has completed site master planning, including future plans to accommodate a potential fixed-route satellite maintenance facility. Design Development was completed in late January, and construction documents and final cost estimates are being prepared. LTD anticipates submitting a permit application with the City of Eugene on March 9, with construction bid opening anticipated in early April.

Time-permitting, Senior Strategic Planner Lisa Gardner will provide a brief presentation of schematic design drawings and site plans at the February 18th Board meeting.

ATTACHMENT: Ride*Source* Facility Site Plan
Ride*Source* Facility Site Plan – Expansion 2023
Ride*Source* Facility Schematic Drawing

MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2004

ITEM TITLE: SPRINGFIELD STATION UPDATE

PREPARED BY: Charlie Simmons, Facilities Services Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: The sixth month of construction has been completed. John Hyland Construction has completed the brick veneer exterior walls. Structural steel for the 350-foot main shelter has been erected. Site curbing is scheduled to be placed over the next two weeks. The building rough-in mechanical and electrical systems are close to completion. All work is on or ahead of schedule.

We have received one proposal to lease 1,200 square feet of the 3,200 total square feet available in the joint development building. A committee has been formed to establish business selection criteria and review proposals for the tenant space.

February tours of the site are being scheduled for Friday, February 27, at noon. If Board members would like to tour the project site, please contact LTD staff at 682-6100.

ATTACHMENT: None

MOTION: None