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## LANE TRANSIT DISTRICT REGULAR BOARD MEETING

Wednesday, December 21, 2005  
5:30 p.m.

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

### A G E N D A

	<u>Page No.</u>
I. CALL TO ORDER	
II. ROLL CALL	
Eyster _____ Gant _____ Gaydos _____ Kleger _____	
Kortge _____ Ban _____ Davis _____	
<b><u>The following agenda items will begin at 5:30 p.m.</u></b>	
III. PRELIMINARY REMARKS BY BOARD PRESIDENT	
IV. ANNOUNCEMENTS AND ADDITIONS TO AGENDA	04
V. BOARD CALENDARS (5 minutes)	05
VI. WORK SESSION	
A. Review of LTD Pension Plan Benefits (50 minutes)	06
<b><u>The following agenda items will begin at 6:30 p.m.</u></b>	
VII. EMPLOYEE OF THE MONTH – January 2006 (5 minutes)	97
VIII. AUDIENCE PARTICIPATION	
◆ Each speaker is limited to three (3) minutes.	

IX. ITEMS FOR ACTION AT THIS MEETING

- |    |  |    |
|----|--|----|
| A. | Consent Calendar (1 minute)                                      | 08 |
|    | 1. Minutes of November 2, 2005, Special Board Meeting (Page 09)  |    |
|    | 2. Minutes of November 16, 2005, Regular Board Meeting (Page 11) |    |
| B. | Grant Applications (10 minutes)                                  | 21 |
|    | 1. Staff Presentation  |    |
|    | 2. Opening of Public Hearing by Board President                  |    |
|    | 3. Public Testimony  |    |
|    | ▪ Each speaker is limited to three (3) minutes.                  |    |
|    | 4. Closing of Public Hearing                                     |    |
|    | 5. LTD Board Deliberation and Decision                           |    |
| C. | Debt Resolution (5 minutes)                                      | 25 |
| D. | Fleet Replacement (10 minutes)                                   | 29 |

X. ITEMS FOR INFORMATION AT THIS MEETING

- |    |   |    |
|----|---|----|
| A. | Current Activities  |    |
|    | 1. Board Member Reports (respond if questions)                            | 31 |
|    | (a) <u>Meetings Held or Attended</u>                                      |    |
|    | (1) Metropolitan Policy Committee – November 17 and December 8            |    |
|    | (2) Region 2050 Policy Advisory Board—November 16                         |    |
|    | (3) Board HR Committee—December 8   |    |
|    | (4) BRT Steering Committee—December 6                                     |    |
|    | (5) Board Service Planning & Marketing Committee—November 17              |    |
|    | (b) <u>No Meeting/No Report</u>   |    |
|    | (1) Board Finance Committee   |    |
|    | 2. Board Rules and Procedures (to be distributed at meeting) (15 minutes) | -- |
|    | 3. General Manager's Report (respond if questions)                        | 33 |
|    | 4. Monthly Financial Report—November 2005 (5 minutes)                     | 35 |

	<u>Page No.</u>
5. Service Planning Issues (15 minutes)	47
6. Board Strategic Planning Work Session—Next Steps (to be distributed at meeting) (10 minutes)	--
(a) December 14 Memorandum to All Employees	52
7. Brand Plan Process Review (15 minutes)	54
8. Correspondence (respond if questions)	55
9. News Articles About Transit Issues (respond if questions)	60
B. Monthly Department Reports (respond if questions)	73
C. Monthly Performance and Labor Trends Reports (respond if questions)	82
XI. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING	95
A. FY 2006-07 Service Recommendation	
B. FY 2006-07 Pricing Plan	
C. EmX 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

2

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** NOVEMBER FINANCIAL STATEMENTS

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

**ACTION REQUESTED:** None

**BACKGROUND:** Financial results for the first five months of the FY 2005-06 fiscal year are summarized in the attached reports.

Passenger fares were 12.4 percent higher for the first five months of the new fiscal year over the same period last year. Ridership for the rolling twelve-month period, which ended November 30, increased 1.2 percent, despite the effect of the strike in March. Without the strike effect, ridership growth would have been higher. Last year at this time, the trend was down. Passenger boardings in November were down from the record high posted in October but were still 9.7 percent higher than in November 2004. Ridership growth appears to be a combination of the effect of the new middle and high school pass program and reaction to high fuel costs.

Payroll tax revenues are up 11.4 percent versus last year due to the steady economic recovery of Lane County, and also the large construction payrolls associated with the major projects in the Eugene-Springfield area. There is still a disparity in year-to-year comparison that is the result of the payroll tax court case, as well.

Self-employment receipts coincide with State tax payment deadlines, none of which occurred in November. However, revenue was received in November for prior-year amounts owed. Tax payments are reported on a cash basis in monthly reports to simplify the information. For audit purposes, the amounts are accrued back to the previous year.

Interest rates have improved in the last year and continue to inch upward. Returns, therefore, have also improved.

Total personnel services expenditures, the largest category of operating expense, show modest growth over the previous year. There are two reasons: (1) health insurance expenses have declined with the new plans

for administrative and ATU-represented employees, and (2) the most appropriate accounting treatment for the new ATU VEBA plan was not determined until after the 2005-06 budget was adopted. The budget assumed that the cost of the front-end benefit would be shared between the two six-month periods, one in each fiscal year. Instead, a more conservative accounting approach, approved by the independent auditors, was employed and the entire VEBA amount was expensed to FY 2005-06. The year-to-year comparisons will be more consistent when the next year of VEBA benefits will be expensed in January 2006. A third contributor was the retirement of several senior bus operators who were eventually replaced with new employees at the beginning of the wage progression.

Administrative salary growth is up due to the implementation of a vacation sell-back program that allows non-represented employees to sell one week of accrued leave back to LTD in conjunction with taking a full week off. Employees are generally limited to two weeks of sell-back per fiscal year, but exceptions can be made by the General Manager if there is a compelling business reason to allow more. Several administrative employees have taken advantage of this new program, which encourages employees to take quality time off from work and reduces the accrued leave liability, which gets larger the longer it remains on the books.

Materials and services results continue to vary widely from department to department. Total materials and services are significantly higher for the first five months of this year as compared to last, but overall spending is within budget for the year to date indicating that the timing of expenses is different in the current fiscal year. One contributor to increased spending is Springfield Station, which opened in September of last year. There were no security expenses in the first quarter of last year compared to five months of expenditures in this fiscal year.

Transfers to both Accessible Services and Capital are up, in accordance with the FY 2005-06 plan. The annual transfer of \$5,000 to the Commuter Solutions Fund has been made in full.

Fuel prices continue to decline after an extended period of volatility. The highest fuel price of \$2.6633 per gallon was reached on October 13. However, by November 1, the price had fallen to \$2.0135 per gallon. On December 2, the per gallon price was \$1.6994. The current-year budget assumed a rate of \$2.10 per gallon. The five-month average is \$2.2430, down from \$2.3011 through October. If fuel prices remain below the budgeted average, it could be possible to finish the current fiscal year on budget for fuel. This expenditure is monitored closely.

The General Fund is stable through November.

The Commuter Solutions and Accessible Services Funds' activities are generally as expected through the first five months of the current fiscal year.

Capital Projects Fund activity showed continued Franklin EmX corridor construction. In fact, Franklin corridor construction accounted for 84 percent of all capital expenditures in November and will continue to be a significant expense as corridor construction progresses.

FY 2006-07 budget development is underway with preliminary drafts of the revised Capital Improvements Program (CIP) and Long-Range Financial Plan under consideration by both staff and the Board. The Finance Committee of the Board is scheduled to continue the discussion of plan assumptions at January and February meetings.

**ATTACHMENTS:**

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

1. Operating Financial Report - comparison to prior year
2. Comparative Balance Sheets
  - a. General Fund
  - b. Commuter Solutions Fund
  - c. Accessible Services Fund
  - d. Capital Projects Fund
3. Income Statements
  - a. General Fund
  - b. Commuter Solutions Fund
  - c. Accessible Services Fund
  - d. Capital Projects Fund

**PROPOSED MOTION:**

None

## AGENDA ITEM SUMMARY

2

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** NOVEMBER FINANCIAL STATEMENTS

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

**ACTION REQUESTED:** None

**BACKGROUND:** The monthly financial report appears as an addendum to the agenda packet. This report will be delivered with the packet, but as a separate document.

**ATTACHMENTS:** None

**PROPOSED MOTION:** None

ADDENDUM TO  
DECEMBER 21, 2005,  
BOARD MEETING AGENDA PACKET

1. November 2005 Financial Statements
2. November 2005 Performance Reports
3. November 2005 RideSource Performance Reports
4. December 2005 *Eugene/Springfield Metro Labor Trends*



## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** ANNOUNCEMENTS AND ADDITIONS TO AGENDA

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

**ACTION REQUESTED:** None

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

**ATTACHMENT:** None

**PROPOSED MOTION:** None

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**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

Board members can take this opportunity to report briefly on any one-on-one meetings they have held with local officials or other meetings they have attended on behalf of LTD.

1. **Metropolitan Policy Committee:** MPC meetings generally are held on the second Thursday of each month. Board members Gerry Gaydos and Susan Ban are LTD's MPC representatives, with Dave Kleger serving as an alternate. Mr. Gaydos attended the MPC meeting held on November 17, 2005. The meeting included the requested approval of a new Metropolitan Transportation Improvement Program (MTIP). MPC failed to reach agreement on a motion to adopt the MTIP due to a disagreement regarding the inclusion of the West Eugene Parkway in the proposed MTIP. Since a new MTIP was not approved, the existing MTIP remains in place. However it does not include several new projects. Those projects, including several LTD items, cannot go forward until they are included in the MTIP. MPC also met on December 8, 2005. The agenda for that meeting included approval of State Transportation Improvement Program (STIP) priorities and an amendment to the existing MTIP that would allow LTD to proceed with a larger bus purchase in 2006.

2. **Region 2050 Policy Advisory Board:** Susan Ban is the Board's representative on the Region 2050 Policy Advisory Board (Policy Board), with Mike Eyster as an alternate. The Policy Board met on November 16, 2005. The Policy Board discussed strategies for a decision making framework to create a regional growth strategy. Lane Shetterly, Director of the Oregon Department of Land Conservation and Development Department and John Van Landingham, Chair of the Land Conservation and Development Commission attended the meeting and provided their perspective on regional problem solving options.
3. **Board HR Committee:** The Board HR Committee (Susan Ban, Mike Eyster, and Chair Gerry Gaydos) last met on December 8, to discuss the general manager's resignation and the selection of an interim general manager.
4. **BRT Steering Committee:** Board President Gerry Gaydos and Board members Dean Kortge and Debbie Davis are members of LTD's BRT Steering Committee, along with members of local units of government and community representatives. The Committee meets quarterly. The Steering Committee last met on December 6, 2005, with Mr. Gaydos and Mr. Kortge attending. At that meeting, the Committee reviewed progress on the Franklin EmX and the Progressive Corridor Enhancement project. The Committee also discussed some of the key design issues on the Pioneer Parkway EmX, in anticipation of having to making a recommendation on those issues in spring 2006. The next meeting is scheduled for March 7, 2006.
5. **Board Service Planning & Marketing Committee:** The Board's new Service Planning & Marketing Committee (Mike Eyster, David Gant, and Dave Kleger) held their initial meeting on November 17, 2005. The agenda for that meeting included discussion of various service issues and marketing programs. The service issues are included in the agenda for this meeting as an information/discussion item.

#### **NO MEETING/NO REPORT**

1. **Board Finance Committee:** The Board Finance Committee (Debbie Davis, David Gant, and Dean Kortge) is scheduled to meet again on January 12, 2006.

**PROPOSED MOTION:** None

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** CORRESPONDENCE

**PREPARED BY:** Ken Hamm, General Manager

**ACTION REQUESTED:** None

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

- November 7, 2005, letter from bus rider Whitey Lueck with input on safety issues, and response from General Manager Ken Hamm

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

**PROPOSED MOTION:** None

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING/"LISTENING" SESSION

Wednesday, November 2, 2005

Pursuant to notice given to *The Register-Guard* for publication on November 1, 2005, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Wednesday, November 2, 2005, beginning at 10 a.m., in the Bascom Room of the Eugene Public Library, 100 West 10<sup>th</sup> Avenue, Eugene. No quorum was present.

Present: Gerry Gaydos, President, presiding  
Dave Kleger, Treasurer  
Dean Kortge  
Jo Sullivan, Clerk of the Board/Minutes Recorder

Absent: Susan Ban, Vice President  
Debbie Davis  
Mike Eyster  
David Gant, Secretary

**CALL TO ORDER** – Mr. Gaydos called the meeting to order at 10:15 a.m. Only Mr. Kleger and Mr. Gaydos were present at this time. Mr. Kortge arrived a little later and then excused himself at 11 a.m. to attend another meeting. There were 11 represented and 2 administrative employees present at the meeting. Those present were Bus Operators Carl Faddis, Carla Aguilar, Mel Aguilar, Dan Dreier, Bill Hallmark, Fred Pearson, Nikki Hess, Roxie Moore, Melinda Raven, Dave Barton, and Tim Leberman; Graphic Artist Hannah Bradford; and Accessible Services Manager Terry Parker.

**EMPLOYEE LISTENING SESSION** – to hear employee input on the Board's HR Strategic Plan, *Looking to the Future*

Mr. Gaydos thanked everyone for being present, saying that the listening session was important both to LTD as an organization and to the Board members. He thought that the Board would try to hold additional sessions in the future, and said that the Board hoped for a better understanding of the issues. He explained that the Board's position was not one of doing the day-to-day operations of the District. Rather, the Board hired and oversaw the performance of the general manager, and it was the general manager's job to implement policy.

Mr. Gaydos said that the purpose of the *Looking to the Future* draft document, from the Board's perspective, was to say that the employees are important, and it was equally important to have these kinds of policies in place, and then to review with the general manager whether or not those policies were implemented. He added that it was the Board's job to set the policy, make priority decisions, and make the financial decisions to ensure that the money was there to allow those priorities to occur.

Mr. Gaydos said that it was the employees' job in the listening sessions to provide input and feedback on the draft HR strategic plan, *Looking to the Future*. The real goal, he said, was to understand if the draft plan made sense to the employees and to listen to anything else that was on the employees' minds. Mr. Gaydos wanted to make sure that everyone understood the roles of the Board, the general manager, and the employees, which he called the most essential role of implementing what LTD does. As a volunteer, Mr. Gaydos could have meetings, listen, and make the best decisions he could make. The Board wanted to listen to the employees, and hoped that setting and implementing the goals in the draft plan would be a collaborative effort.

Mr. Kleger said that there were three legal requirements that the Board had to live with. The first was to provide transportation services to citizens who did not have cars. The second was to provide transportation services that invited people to leave their cars at home and take the pressure off the public infrastructure and the air shed. The third was to obey all the laws of all jurisdictions impacting LTD whether they were contradictory or not.

The employees present then provided some feedback on the draft *Looking to the Future* document, and expressed opinions about various aspects of work and communication at LTD. The Board members present heard substantial input from the employees, including regarding the general manager's performance and other areas of concern about the District.

Mr. Kleger stated his opinion that a change in leadership would not make much difference. He said that he would not want to go through the expense of an executive search, especially since most of the decisions he had heard people complaining about were made before Mr. Hamm was hired. He said that major decisions took a long time to implement, and that the run-time schedule had been deteriorating partly because of population and traffic increases and no effective means to increase funding. He said that the bottom had fallen out of the local economy a few months after Mr. Hamm began working at LTD, and the revenue stream dropped by close to 20 percent within 30 days. LTD had managed to avoid laying off any represented employees, but 14 others were laid off, including half the planning department, which he thought was part of the reason that planning was not functioning as well as it did in the past. He said that the Board had tried to restore some of what was lost.

Mr. Gaydos said that the Board would continue listening to employee input. He noted that LTD had received a number of awards for a variety of things during the past four years, and those kinds of things had to be balanced with other input. He said that the Board's responsibility was to listen to everything and it was everyone's responsibility to help ensure an inclusive culture and spirit. He said that the Board, as volunteers, were focused on doing the best job they could, and he was confident that employees were doing the best job they could. There were some things that could change easily and some that could not, and the Board and employees should work together to help each other be as strong as they could be. He encouraged employees to ask when they didn't understand why some things were done the way they were, such as the removal of shelters, so that they could understand the issues and be part of the process, in order to help improve the culture of inclusiveness.

**ADJOURNMENT:** Mr. Gaydos and Mr. Kleger thanked the employees for their input. The meeting ended at 12:50 p.m.

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Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, November 16, 2005

Pursuant to notice given to *The Register-Guard* for publication on November 10, 2005, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, November 16, 2005, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Gerry Gaydos, President, presiding  
Debbie Davis  
Mike Eyster  
David Gant, Secretary  
Dave Kleger, Treasurer  
Dean Kortge  
Ken Hamm, General Manager  
Jo Sullivan, Clerk of the Board  
Kimberly Young, Minutes Recorder

Absent: Susan Ban, Vice President

**CALL TO ORDER** – Mr. Gaydos called the meeting of the Lane Transit District (LTD) Board of Directors to order.

**ROLL CALL** – General Manager Ken Hamm called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos expressed appreciation for e-mails the board received from satisfied customers.

**ANNOUNCEMENTS AND ADDITIONS TO AGENDA** – There were no announcements or additions to the agenda.

**BOARD CALENDARS** – Mr. Gaydos called attention to the Board's strategic planning work session scheduled for December 9 and 10 at LCC.

**WORK SESSION**

**LTD Diversity Council Update** – The Board was joined by Director of Human Resources and Risk Management Mary Neidig and Human Resources Specialist David Collier. Ms. Neidig recalled at the Board's June meeting the Board heard an update on what the District was doing in regard to diversity. At that time staff had informed the Board about the newly formed Diversity Council and promised to return with more information in the future. She called the Board's attention to page 7 of the packet, which contained the council's charter, and page 8, which included a list of members and the goals of the council.

Mr. Collier said the council was “young,” but it was committed to creating a positive atmosphere at LTD. He noted that diversity training was incorporated into the fall training and the council was introduced to employees at that time. Mr. Collier said the council’s goals were in the areas of hiring, recruitment, promotion, training and education, and community outreach. He noted that council member Doris Dioszeghy was present. He invited questions.

Mr. Eyster asked how the District would let employees know the council was in existence and available to them. Mr. Collier said that in addition to the fall training, the council was highlighted in the employee newsletter.

Mr. Gaydos noted his concern about what he termed the “retention gap.” He said filling that gap required mentoring new employees and helping them understand the culture of the organization and the paths to promotion. He encouraged the council to think about that issue and consider adding another goal. Mr. Collier said that retention was a communitywide issue touching many agencies and one the council would be interested in addressing.

Mr. Gant asked if any thought had been given in the past to recruiting Board members from minority communities. Mr. Gaydos said that was something of interest to the governor and had been discussed by the Board in the past. He thought it was something the council could consider.

Mr. Collier reported that December 1 was selected by the American Public Transportation Association as a day to pay tribute to Rosa Parks and would be known as Rosa Parks Day. Staff had met with members and staff of the Human Rights Commission to discuss a collaborative approach to the event and to try to tie it to December 10, which was International Human Rights Day. He asked the Board to consider acknowledging December 1 as Rosa Parks Day.

Mr. Hamm distributed copies of a resolution proclaiming December 1 as Rosa Parks Day to Board members.

**Comprehensive Annual Financial Report** – Director of Finance and Information Technology Diane Hellekson reported that the auditor had given LTD an unqualified audit opinion to the District’s Comprehensive Annual Financial Report (CAFR). That meant the auditor found nothing noteworthy. She called attention to the executive summary, which included highlights of fiscal year 2004-05. The summary indicated the revenue from the fixed-route system was flat compared with the previous year; employer payroll tax revenue increased 17.7 percent due to a court decision favorable to LTD and a local construction boom; self-employment tax revenue increased 3.1 percent over the previous year; and state in-lieu revenue increased about 2.4 percent. Overall, revenues had increased by about 1.1 percent. The summary also indicated that in terms of expenses, personnel services increased 4.8 percent, materials and services increased 21.2 percent due mostly to fuel costs, and insurance costs increased 17.9 percent. Overall, operating expenses increased about 11.5 percent.

Ms. Hellekson recognized the excellent work done by Accounting Manager Carol James in regard to the audit.

Responding to a question from Mr. Kleger, Ms. Hellekson clarified that the increase in insurance costs were not related to the cost of health insurance. She said that those costs were predicted to be flatter in the future.



**Commuter Solutions Annual Report** – Commuter Solutions Program Manager Connie Bloom Williams provided a PowerPoint presentation on Commuter Solutions. She first called the Board's attention to the list of advisory committee members for the Transportation Options Advisory Committee, which was composed of staff from different agencies who advised LTD on the program. She said the program supported LTD's goals for strong, innovative service and progressive leadership for transportation needs in the community.

Ms. Bloom Williams noted the many programs and services offered by the District and said the effort continued to grow.

Ms. Bloom Williams called attention to a handout she distributed to Board members as part of the annual report, which outlined relevant goals from the 2000-2005 Strategic Plan, associated actions, and predicted results. She noted that, for example, the goal related to increased participation in alternative modes resulted in the development of the Smart Ways to School Program, School Transit Pass Program, and Valley Van Pool Program. She shared a chart summarizing the participants in group pass programs, which demonstrated sharply increased growth in the program as a result of the addition of the School Transit Pass Program.

Ms. Bloom Williams shared a list of current group pass participants and reviewed a funding breakdown for the program showing local, state, and federal allocations to the Commuter Solutions Program. She also called attention to the program goals for 2005, which were to increase participation in the program and its service and support and further local, regional, and statewide transportation and land use policies. She briefly noted the associated actions for each goal.

Mr. Kleger said that he was amazed by the results the program realized, and commended the work of Ms. Bloom Williams and her staff.

**Smart Ways to School Update** – Lisa Van Winkle, the project lead for the Smart Ways to School Program, joined the Board to provide an update on the program. She shared a packet of materials regarding the program, which included examples of the outreach materials sent to parents prior to its inception and after its implementation and an article, advertisement, and editorial regarding the program from *The Register-Guard*. Ms. Van Winkle said the program's funding came from the Commuter Solutions Program and Oregon Department of Energy Business Energy Tax Credit (BETC) program. The intent of the program was to reduce fuel consumption, reduce traffic around schools, and promote a healthier lifestyle through walking and bicycling. Families of students at more than 100 private and public schools were being served.

Ms. Van Winkle noted the services involved, which included the transit pass program, a "schoolpool" carpool matching program, and encouragement of walking and bicycling. She provided some data on participation figures, which indicated increases in ridership as a result of the transit pass program. She said that manual counting would occur periodically to measure ridership. She briefly noted some of the promotional events that have occurred in conjunction with the program, including the District's participation in the International Walk to School Day event. Ms. Van Winkle said that some contests had been held to encourage participation in the services provided by the program and increase its recognition, such as the How Do You Get to School contest, which occurred in October.

Ms. Van Winkle commended the schools for their work with the District. She also acknowledged the contributions of Pacific Continental Bank to the program and indicated a thank-you reception

for program partners and sponsors would be held in December. A task force with school transportation officials had also been formed, which had met five times in the last year and would meet again soon to hear an update on the program's progress. She noted her reliance on that group for guidance and support.

Ms. Van Winkle noted the federal mandate stipulating that all school districts must adopt a Wellness Policy, which related to the district's Smart Ways to School Program, through its promotion of physical activity among youth. Most districts will be focused on nutrition and physical activity during the school day, but she believed the school districts would recognize the value of the programs provided by LTD as part of the development of their Wellness Policy. She said that additionally, the federal government had earmarked some funds for Safe Routes to School activities in each state, and she would soon convene a group of local government officials to develop a collaborative funding proposal.

Ms. Van Winkle anticipated that LTD would continue to work to attract new students to the program's services, with a major push in Spring 2006.

Mr. Gaydos reordered the schedule and called for item X, Items for Information, at this time.

## **ITEMS FOR INFORMATION AT THIS MEETING**

### **Current Activities**

#### **1. Board Member Reports**

Mr. Gaydos reported on the most recent Metropolitan Policy Committee meeting at which Eugene's representatives refused to approve the Metropolitan Transportation Improvement Plan (MTIP) because it included the West Eugene Parkway. The other jurisdictions continued to support the MTIP. Mr. Gaydos said that that could affect some projects by delaying the approval of the list of projects. Mr. Viggiano had suggested the potential of amending the current MTIP to get those projects moving forward. Mr. Viggiano indicated that an amendment was necessary in near-term but could be needed by January or February if the issues raised by Eugene were not resolved prior to that.

Mr. Kortge reported that the Finance Committee met twice and had recommended a series of actions that likely would require Board approval.

#### **2. General Manager's Report**

Mr. Hamm reported that LTD was evaluating the Cottage Grove service as a result of particulate trap failure on the articulated buses and was putting standard 40-foot buses on those routes, which resulted in overloads and raised safety issues on the part of passengers who had to stand.

Staff had been talking to Detroit Diesel about replacement traps. LTD was prepared to add trippers to deal with the overloads to prevent unsafe conditions, and staff discussed surveying community members who might not be riding the bus now but might if more services were added to the route, which might help spread the ridership load.

Mr. Hamm said that staff would like to take the Board on a tour of the EM-X Franklin Corridor. Mr. Gaydos suggested that the tour be incorporated into the strategic planning work session, if possible.

Mr. Hamm reported that he, Linda Lynch, and Doug Barber had been participating in some rule-making meetings in Salem related to the Connect Oregon funding. One of the outstanding issues was what could be considered a match; the Attorney General's Office indicated it could only be cash, which was very different from other grant sources.

Mr. Hamm said the Board Service Planning and Marketing Committee would meet on November 17 at noon to consider some immediate system fixes needed. Planning staff had developed a list of items with associated cost estimates. He said that the cost was not insignificant.

Mr. Gaydos called for a brief meeting break.

#### **ITEMS FOR ACTION AT THIS MEETING**

**EMPLOYEE OF THE MONTH** – Director of Transit Operations Mark Johnson introduced the December 2005 Employee of the Month, Bus Operator Tom Heatley, who noted that Mr. Heatley was nominated by several customers for always being nice to his riders and for going the extra mile on several occasions for people with disabilities. Mr. Gaydos presented Mr. Heatley with his recognition awards and thanked him for his service.

Mr. Heatley thanked the Board for its recognition and said he really enjoyed his job at LTD and found it had many benefits. He expressed his appreciation for the award and said he would continue to serve his riders.

**AUDIENCE PARTICIPATION** – Lucas Murphy, 1095 C Street, Springfield, shared his concern about the proposed rerouting of the Number 11 Thurston bus from South B Street to South A Street in Springfield. He said that the change was inconvenient and dangerous for riders. Mr. Murphy noted his participation in the Honored Ridership Program, which allowed him to sell his car and ride the bus. He said that the change was inconvenient because it no longer traveled close to his neighborhood but rather went straight out South A Street and picked up the old route at 14<sup>th</sup> Street. It was difficult for riders to get across the downtown area and they either had to change to another bus or walk, which was inconvenient and hazardous at night when it rained. In addition, riders had to cross South A Street, which was very busy. Mr. Murphy also objected that the bus no longer stopped in front of the Canned Foods Warehouse, which was a destination for many riders. Riders no longer could wait in a covered bus stop. In addition, the bus no longer stopped at the museum downtown so those traveling east to do business at City Hall must get off at 8<sup>th</sup> Street and walk three or four blocks. He suggested the bus stop in front of the museum be restored, or a stop installed at the Farwest parking lot. Mr. Murphy did not think much time would be added to the route as a result of his suggestions.

Mr. Murphy indicated he would submit his comments in writing.

Andy Vobora shared correspondence from Cottage Grove City Councilor Mike Fleck, 1125 East Harrison Street, Cottage Grove, who expressed his concern about the standing-room-only situation on buses traveling between Cottage Grove and Lane Community College, and suggesting the situation was leading to a loss of riders. He expressed hope for increased service to Cottage Grove and Creswell.

Mr. Vobora said staff had discussed a variety of short-term solutions to the Cottage Grove situation, including those mentioned by Mr. Hamm. He thought the issue was illustrative of the situation faced by LTD in regard to the supply of drivers and buses. It was difficult to keep the fleet running well. The Board would see a short-term proposal to address the issue during the annual route review. Mr. Vobora said the District was clear to those concerned that standing on the bus was not a safety issue, or the District would not allow it to happen. He characterized the issue as more of one of comfort for the rider.

### **ITEMS FOR ACTION AT THIS MEETING**

**MOTION** **Consent Calendar** – Mr. Kleger moved adoption of LTD Board Resolution No. 2005-029: “It is hereby resolved that the Consent Calendar for October 19, 2005, is approved as presented.” Mr. Kortge provided the second. The Consent Calendar consisted of the minutes of the October 19, 2005, Regular Board Meeting.

**VOTE** The Consent Calendar was approved as follows:  
AYES: Davis, Eyster, Gant, Gaydos, Kleger, Kortge (6)  
NAYS: None  
ABSENTIONS: None  
EXCUSED: Ban

### **Audit Report for Fiscal Year Ending June 30, 2005**

#### 1. Independent Auditor’s Report

Ms. Hellekson introduced auditor Chuck Swank of Grove, Mueller, and Swank PC. Mr. Swank referred the board to the letter prepared by his firm included in the packet on pages 34-35 of the packet, which indicated an audit was performed and it complied with government auditing standards. Nothing came to the firm’s attention that suggested that the District was not in compliance. Mr. Swank noted that portion of the audit related to the federal funding received by the District, which did not state an opinion but rather stated nothing came to the auditor’s attention in regard to that area.

Mr. Swank noted the section of the report related to fraud, saying that Oregon’s government controls were very good and LTD maintained those controls. There were no adjustments recommended in the accounting section of the report, which spoke highly of the District’s accounting function.

Mr. Kleger noted that he had become accustomed to hearing such reports, and this was the smallest level of exceptions he had seen yet. He commended the members of the accounting staff and thanked them for their work.

Mr. Swank said that the District was a pleasure to audit and he thought the lack of exceptions was due to the fact accounting staff were open to asking questions and soliciting input. He expressed his appreciation to LTD staff.

#### 2. Board Acceptance of Auditor’s Report

MOTION Mr. Kleger moved adoption of LTD Board Resolution 2005-030: Resolved, that the LTD Board of Directors accept the Independent Audit Report for the fiscal year ending June 30, 2005. Mr. Eyster provided the second.

VOTE The motion was approved as follows:  
AYES: Davis, Eyster, Gant, Gaydos, Kleger, Kortge (6)  
NAYS: None  
ABSECTIONS: None  
EXCUSED: Ban (1)

Mr. Hamm commended the contributions of the financial team and the standard it set.

**Second Reading and Adoption—Ordinance No. 39, An Ordinance Imposing an Excise Tax on Employer and Self-Employed Individuals, Providing for Administration, Enforcement, and Collection of the Tax, and Terminating the Application of Tax Under Ordinance 37 and Ordinance 38** – Assistant General Manager Mark Pangborn recalled the Board's November discussion of the ordinance. He reminded the Board a second reading was necessary to adopt the ordinance. He invited questions.

Mr. Kleger indicated his belief that the increase would not produce as much income as would be consumed by the rate of inflation and if it was not implemented the District's financial situation would worsen. He did not enjoy the idea of increasing any tax, but he felt it was necessary to keep the District in good financial health. Mr. Kleger believed the District had met the terms of the State statute that enabled the tax.

MOTION Ms. Kleger moved that Ordinance No. 39 be read by title only. Mr. Eyster provided the second.

VOTE The motion was approved as follows:  
AYES: Davis, Eyster, Gant, Gaydos, Kleger, Kortge (6)  
NAYS: None  
ABSECTIONS: None  
EXCUSED: Ban (1)

Mr. Kleger read the ordinance title: "Ordinance No. 39, An Ordinance Imposing an Excise Tax on Employers and Self-employed Persons; Amending Ordinance 37, Section 1.03; and Amending Ordinance 38, Section 1.10."

MOTION Mr. Kleger moved adoption of LTD Board Resolution 2005-031: Resolved, that the LTD Board of Directors adopts Ordinance No. 39, an Ordinance of the Lane Transit District Regarding the Excise Tax on Employers and Self-employed Persons, Amending Ordinance No. 34, Section 1.03, and Amending Ordinance 38, Section 1.10. Mr. Kortge provided the second.

Mr. Gaydos agreed with Mr. Kleger about his disinclination to increase taxes, but pointed out that the payroll tax was the only revenue instrument the District had in place. He believed the District was a good steward of its financial and human resources and the increase was necessary, as demonstrated by the eight-year financial plan.

VOTE The motion was approved as follows:  
AYES: Davis, Eyster, Gaydos, Kleger, Kortge (5)

NAYS: Gant (1)  
ABSENTIONS: None  
EXCUSED: Ban (1)

**Cost-of-Living Adjustment for Salaried Employees Retirement Plan** – Mr. Pangborn said that the retirement plan did not include an automatic cost of living adjustment (COLA). He recalled that, typically, such increases had been granted every two years in the 1990s. The situation for administrative employees was somewhat different from ATU members because the trustees of the ATU Pension Plan have the ability to grant the COLA without Board approval. Traditionally, when the ATU employees received a COLA, a similar COLA was granted to administrative employees. That must be approved by the Board.

Mr. Gaydos asked how the increase would affect unfunded liabilities in the pension plan. Mr. Pangborn said both plans have an unfunded liability. The one for the ATU plan was in the 40 percent range, and the administrative plan was in the 25 percent range. In both cases, approval of a COLA would negatively impact that by increasing the unfunded liability, although not substantially. He suggested the larger issue was how the District would address those unfunded liabilities, and if such COLAs should be built into the process. Staff were beginning to work on those issues, and the Board would address them at its strategic planning session. Mr. Pangborn noted that such unfunded liabilities were not uncommon across the country.

Mr. Gaydos noted some recent changes made to the pension programs to attempt to bring more financial stability.

Mr. Gant recalled a letter in *The Oregonian* regarding the federal Financial Accounting Standards Board and some of the reforms being made to such pensions. The letter commented on the smoothing technique the board discussed in November, and it was a widely criticized mechanism. He believed that the coming reform would eliminate the mechanism.

Speaking to the proposal, Mr. Gant said once the COLA was granted, it would be impossible to take back. He was very concerned about the under-funding of the District's pension plans and said if he were an employee he would be very concerned about the stability and the security of future payments. Mr. Gant was also concerned about whether it was fair to future employees to put so much pressure on the stability of the pensions. He was concerned about getting into a PERS-like situation. He said that PERS had been a wonderful system, but now it was not so good for Tier II employees. He questioned whether the increases were actually a good idea, as he did not want to see a tiered system at LTD. Mr. Gant suggested the Board take a conservative view and first fix the pension problem and then reconsider the COLA if the District could afford it.

Mr. Gaydos said he believed there was general agreement with what Mr. Gant said. He emphasized that the increase was not automatic but happened on a periodic basis if it was possible. He said the recommendation was for a one-time situation, and the issues raised by staff in November would be examined on a detailed basis in the future. He agreed the situation was alarming, and needed to be addressed.

Mr. Kortge determined from Mr. Hamm that the increase was announced for the ATU retirees only. Mr. Kortge agreed with Mr. Gant, and said he could not support the proposal as he believed it was premature and the Board should address the status of the pension funds first.

Responding to a question from Mr. Eyster, Mr. Pangborn indicated the last COLA was granted to retired administrative employees in 1999 and it had been 2 percent. The last COLA granted to ATU retirees was in 2000 and was 3 percent. He agreed the status of the pension funds was an urgent issue, particularly given the demographics of the LTD workforce. Mr. Pangborn acknowledged the danger that retirees could grow to expect periodic COLAs even when not guaranteed. He suggested that, conversely, if the ATU retirees received a COLA increase and the administrative retirees did not, it could lead to a rising sense of inequity.

Speaking to Mr. Pangborn's remarks, Mr. Eyster suggested that this was a reality of life; that sometimes a collective bargaining unit will have something the administrative employees do not have. Mr. Pangborn pointed out the COLA was not bargained for. Mr. Eyster said that did not mean the COLAs had to be the same. Mr. Pangborn agreed, and noted that there were differences between the two pension plans.

Mr. Gaydos did not think there was anything firm about the numbers the Board had heard in regard to the unfunded pension liability given that it was based on a series of assumptions that might or might not be realized. In addition, he said that people could argue about the appropriate rate of returns looking at the same long-term trends. It was a best guess one made when looking at the assumptions. He recommended the Board support the proposal.

Mr. Gant said that he was not supportive the proposal because he cared about the District's administrative staff. He was very conservative when it came to the retirement of others and wanted to ensure that LTD employees have good pensions and that the money was there when they retired.

Mr. Kleger suggested that the Board postpone the issue until after its strategic planning session. There was general concurrence. Mr. Gaydos asked that staff provide the Board with more precise numbers about the cost of the COLA. Mr. Kortge requested some history on the COLA and any guarantees provided to retirees. Mr. Pangborn acknowledged there was no guarantee, although there may be an expectation that it would occur. Mr. Gant asked that staff follow up on the reforms planned by the National Accounting Board.

**Selection of Legal Counsel** – Mr. Pangborn provided background on the topic, noting that the Board had authority over the selection of the District's legal counsel. He recalled that in its 35-year history, LTD had three legal counsels and Arnold Gallagher Saydack Percell Roberts & Potter, PC, had been LTD's counsel for the past seven years. He reviewed lead counsel Roger Saydack's professional background.

Responding to a question from Mr. Kortge, Mr. Pangborn indicated that the District had no legal obligation to take the contract out to bid. He further indicated that the length of the contract was three years, with two additional single-year renewals. He noted that the contract could be canceled on short notice if needed.

**MOTION** Mr. Eyster moved adoption of LTD Board Resolution 2005-033: Resolved, that the LTD Board of Directors approves the extension of the legal services contract with Arnold Gallagher Saydack Percell Roberts and Potter, PC, for an additional two-year period. Mr. Kortge provided the second.

Mr. Kleger expressed his appreciation for the legal advice he had received from the District's counsel. He found it well-informed and judiciously delivered.

VOTE The motion was approved as follows:  
AYES: Davis, Eyster, Gant, Gaydos, Kleger, Kortge (6)  
NAYS: None  
ABSENTIONS: None  
EXCUSED: Ban

**Rosa Parks Day** – Mr. Hamm asked the Board to consider a resolution declaring December 1, 2005, Rosa Parks Day. Mr. Gaydos reviewed the resolution.

MOTION Mr. Kleger moved adoption of LTD Board Resolution 2005-034: Resolved, that the LTD Board of Directors approves a resolution establishing National Transit Tribute to Rose Parks Day in Eugene-Springfield and surrounding areas on December 1, 2005, as printed in the form distributed. Mr. Gant provided the second.

VOTE The motion was approved as follows:  
AYES: Davis, Eyster, Gant, Gaydos, Kleger, Kortge (6)  
NAYS: None  
ABSENTIONS: None  
EXCUSED: Ban

**ITEMS FOR INFORMATION AT THIS MEETING (continued)**

2. General Manager's Report (continued)

Mr. Hamm distributed and reviewed copies of the draft agenda for the Board's work session on December 9 and 10. He asked the Board to review the agenda and contact him with other issues members wished to discuss. Mr. Pangborn noted that the meeting would be held at the Lane Community College.

3. Monthly Financial Report

Ms. Hellekson reported that the month had been very positive in part because LTD had been able to buy fuel at below-budgeted price. She noted that October 2005 had had the highest number of boardings in one month in LTD's history.

The meeting adjourned at 7:55 p.m.

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Board Secretary



## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** BRAND PLAN PROCESS REVIEW

**PREPARED BY:** Andy Vobora, Director of Marketing and Communications

**ACTION REQUESTED:** None

**BACKGROUND:** In 2003 the District formed an internal committee to develop a brand plan. This committee included representatives from across the District, including a Board member and a bus operator.

The plan document outlines various results and conclusions arrived at by the planning team. These results, with the exception of the marketing-related components, were never utilized by the organization. A company's brand is directly tied to organizational culture and when fully realized becomes the way in which a company operates on a day-to-day basis.

Staff will briefly review the plan and respond to Board questions.

**RESULTS OF RECOMMENDED ACTION:** To be determined.

**ATTACHMENT:** none

**PROPOSED MOTION:** none

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** PURCHASE OF FORTY- AND SIXTY-FOOT BUSES

**PREPARED BY:** Sam Marra, Director of Fleet Maintenance

**ACTION REQUESTED:** Direct staff to proceed with procurement of 20 forty-foot low-floor buses and 5 sixty-foot articulated buses

**BACKGROUND:** The FTA requires that heavy-duty transit buses operate in service at least 12 years or 500,000 miles before they are eligible for replacement. LTD has been successful in operating its buses for a period of 15 years or more before pursuing replacement.

Currently, there are a total of 20 1991 buses that have met the District's replacement criteria of 15 years and are scheduled for replacement in Fiscal Year 2006-07.

In addition, staff have identified the need to begin replacement of LTD's 28 1994 buses as a result of their overall condition and noted design defects that may be costly to repair. These buses will have met the FTA's minimum requirements for replacement at 12 years in FY 2006-07. While it would be most desirable to replace all 28 buses, funding will support the replacement of only 10 buses at this time.

Upon review of current and future service needs, it has been determined that there is a need for additional articulated buses. As a result, staff recommend that LTD purchase 20 forty-foot and 5 sixty-foot articulated buses.

With the addition of the 5 EmX buses currently on order, the District will have replaced a total of 30 buses in FY 2006-07.

By authorizing staff to move forward with this purchase, LTD will be able to "piggyback" onto an existing order for the purchase of the forty-foot buses and purchase sixty-foot articulated buses off LTD's existing contract with New Flyer. Failure to approve moving forward with this purchase at this time could greatly delay the receipt of buses. Manufacturers are beginning to experience an influx of orders from agencies for delivery by late 2006 in

an effort to beat the added costs for more restrictive emission equipment mandated for 2007.

The combination of State and Federal funds as identified in the 2006-07 Capital Improvements Program (CIP) supports these purchases.

**RESULTS OF RECOMMENDED ACTION:**

Staff will research available options for piggybacking onto an existing procurement with the bus manufacturers and proceed with preparation of the necessary paperwork to purchase the 25 vehicles as proposed. Staff will amend the CIP to provide for appropriation for the bus purchase in FY 2005-06 as required when a contract is signed.

**ATTACHMENT:**

None

**PROPOSED MOTION:**

I move the following resolution be approved:

LTD Resolution Number 2005-0\_\_ : It is hereby resolved that the LTD Board directs staff to begin the procurement process for twenty-five (25) low-floor, diesel-powered buses to replace buses that have met or exceeded their design life.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**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:** Board members are asked to coordinate the Board Activity Calendars with their personal calendars and for discussion at each Board meeting. Updated Board Activity Calendars will be handed out at the December 21 Board meeting.

Please contact Jo Sullivan with any changes in your availability for LTD-related meetings and events, or to provide your winter and spring vacation dates.

**ATTACHMENT:** None

**PROPOSED MOTION:** None

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** CONSENT CALENDAR

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

**ACTION REQUESTED:** Approval of Consent Calendar Items

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

The Consent Calendar for December 21, 2005:

1. Approval of minutes: November 2, 2005, special Board meeting
2. Approval of minutes: November 16, 2005, regular Board meeting

**ATTACHMENTS:**

1. Minutes of the November 2, 2005, special Board meeting
2. Minutes of the November 16, 2005, regular Board meeting

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

LTD Resolution No. 2005-0\_\_ : It is hereby resolved that the Consent Calendar for December 21, 2005, is approved as presented.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** DEBT RESOLUTION

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

**ACTION REQUESTED:** Approval

**BACKGROUND:** LTD is about to place an order for up to 25 buses that are expected to be received by December 31, 2006, and for which some future federal funds are intended. Because the buses will be received before the future funds will be available, it is possible that Lane Transit District will need to borrow money on a short term basis to pay for these vehicles. In order to do so, an approved debt resolution is required from the Board of Directors.

If there is any chance that debt will be required to finance any part of this purchase, the debt resolution must be in place at the time the vehicles are ordered. Approval of this resolution does not guarantee that debt will be incurred. However, once the contract (or contracts, if articulated buses are part of the order) for the new vehicles is finalized, payment will be required upon acceptance. Staff will provide regular reports to the Board Finance Committee about anticipated vehicle funding. The Finance Committee and the full Board will be notified in advance of the need to borrow funds to complete the vehicle purchase.

**RESULTS OF RECOMMENDED ACTION:** LTD will order up to 25 replacement buses for expected delivery by December 31, 2006.

**ATTACHMENT:** Debt Resolution

**PROPOSED MOTION:** I move approval of LTD Resolution 2005-037, authorizing debt financing of up to 25 revenue vehicles in FY 2006-07 (on or before December 31, 2006).

**FY 2005-2006 CIP Grant Application  
5307/STP Funds**

	<b>STIP Key #</b>	<b>Fund Type</b>	<b>Match Ratio</b>	<b>Federal Grant</b>	<b>Project Total</b>	
<u>111-00 Bus Rolling Stock</u>						
11.12.40	Bus Replacement Spare Parts	14340	5307	80%:20%	<u>165,000</u>	<u>206,250</u>
	<b>111-00 Bus Rolling Stock Total</b>				<b>165,000</b>	<b>206,250</b>
 <u>112-00 Bus Transitways/Lines</u>						
11.21.01	EmX Pioneer Parkway Project Development	14267	STP-U	89.73%:10.27%	<u>143,500</u>	<u>159,924</u>
	<b>112-00 Bus Transitways/Lines Total</b>				<b>143,500</b>	<b>159,924</b>
 <u>113-00 Bus Stations Stops &amp; Terminals</u>						
11.33.20	Replacement Shelters	13697	STP-U	89.73%:10.27%	216,000	270,000
11.33.20	Eugene Station Bay Improvements	TBD	STP-U	89.73%:10.27%	90,000	100,300
11.33.20	Eugene Station Bay Improvements	TBD	5307	80%:20%	<u>63,760</u>	<u>79,700</u>
	<b>113-00 Bus Station Stops &amp; Terminals Total</b>				<b>369,760</b>	<b>450,000</b>
 <u>114-00 Bus Support Equip/Facilities</u>						
11.42.07	Computer Hardware	14340	5307	80%:20%	100,000	125,000
11.42.08	Computer Software	14340	5307	80%:20%	40,000	50,000
11.42.11	Support Vehicles	14340	5307	80%:20%	16,000	20,000
11.42.20	Miscellaneous equipment	14340	5307	80%:20%	40,000	50,000
11.43.03	Facility Improvements	14340	5307	80%:20%	<u>60,000</u>	<u>75,000</u>
	<b>114-00 Bus Support Equip/Facilities Total</b>				<b>256,000</b>	<b>320,000</b>
 <u>116-00 Bus Signal &amp; Communication Equipment</u>						
11.62.20	ITS Systems	14338	STP-U	89.73%:10.27%	54,000	60,181
11.62.20	ITS Systems	14338	5307	80%:20%	32,000	40,000
11.62.20	Automated Passenger Information Systems	13450	5307	80%:20%	<u>260,000</u>	<u>325,000</u>
	<b>116-00 Bus Signal &amp; Communication Equipment Total</b>				<b>346,000</b>	<b>425,181</b>
 <u>117-00 Bus Other Capital Items</u>						
11.72.11	Transportation Demand Mgmt (TDM)	12890	STP	89.73%:10.27%	100,498	112,000
11.72.11	TDM - Rideshare Activities	13444	STP-U	100%	<u>355,000</u>	<u>355,000</u>
	<b>117-00 Bus Other Capital Items Total</b>				<b>455,498</b>	<b>467,000</b>
	<b>Total</b>				<b><u>\$1,735,758</u></b>	<b><u>\$2,028,355</u></b>

**Source of Federal Assistance**

Funding UZA: 411440  
Funding UZA Name: Eugene-Springfield, Oregon

STP	\$ 100,498
STP-U	858,500
5307	<u>776,760</u>
<b>Total</b>	<b><u>\$1,735,758</u></b>

### FY 2005-2006 Bus Purchase

	STIP Key #	Fund Type	Match Ratio	Federal Grant	Project Total		
<u>111-00 Bus Rolling Stock</u>							
11.12.01	20	40' Low Floor buses	12260	5307	80%:20%	5,200,000	6,500,000
11.12.06	5	Articulated Buses	14457	STP-U	89.73%:10.27%	170,000	189,457
				STP	89.73%:10.27%	634,732	707,380
				5307	80%:20%	755,816	944,770
				5309	80%:20%	686,714	858,393
						2,247,262	2,700,000
<b>111-00 Bus Rolling Stock Total</b>						<b>7,447,262</b>	<b>9,200,000</b>
<b>Total</b>						<b><u>\$7,447,262</u></b>	<b><u>\$9,200,000</u></b>

**Source of Federal Assistance**

Funding UZA: 411440  
 Funding UZA Name: Eugene-Springfield, Oregon

STP	\$ 634,732	\$ 707,380
STP-U	170,000	\$ 189,457
5307	5,955,816	\$7,444,770
5309	686,714	\$ 858,393
<b>Total</b>	<b><u>\$7,447,262</u></b>	<b><u>\$9,200,000</u></b>





**Lane Transit District**  
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## MONTHLY DEPARTMENT REPORTS

December 21, 2005

### GOVERNMENT RELATIONS

*Linda Lynch, Government Relations Manager*

While Congress is experiencing one of its worst nightmares (being in session long enough to see snow on the steps of the Capitol), most local agencies in the Eugene-Springfield area are celebrating a good lobbying year. This is due primarily to the reauthorization of the transportation bill (at last), but includes funds for Wildish Community Theatre in Springfield, funds for a methamphetamine enforcement initiative for Lane County, and help moving some stalled projects forward. Federal spending on transit increased by 12.3 percent over FY 2005, for a total of \$8.59 billion in FY 06.

The big issue for Lane Transit District at the federal level now is implementation of the "Small Starts" capital project funding category established in SAFETEA-LU. The Federal Transit Administration (FTA) is notoriously slow in its rule making procedures, despite required deadlines established in the law. The FTA has in the past several years issued a lot of "Guidance" which has the force of a rule. The whole idea behind a "small starts" category was that it would include projects that were less complex than light rail, and as a result the regulatory process would be too. There appears to be some reluctance at FTA to make the process any less rigid despite the size of the project. This means that staff will attend "listening sessions" to provide FTA with testimony about District concerns and that adopting an appropriate rule will be an important part of LTD's 2006 federal message.

## DEVELOPMENT SERVICES

*Stefano Viggiano, Director of Development Services*

### **EmX PLANNING**

*Graham Carey, BRT Project Engineer*

**Pioneer Parkway Corridor:** Preliminary Technical Reports for the various disciplines will be available by the end of December. These Technical Reports will undergo an internal review and then be combined to form the Alternative Analysis Report and the basis for the Draft Environmental Impact Statement (DEIS).

Staff have held meetings with Gateway Mall management regarding relocating the existing station to a location adjacent to Gateway Street. The corporate management for General Growth (owners of the Gateway Mall) have some concerns about the proposed relocation. Discussions continue, and have expanded to include City of Springfield staff.

**MLK Parkway:** Construction crews continue to make progress on MLK Parkway. The contractor has indicated an intent to start construction on the northern part of the roundabout at MLK Jr. Parkway and Hayden Bridge Road this year, in order to divert traffic in early spring.

**Progressive Corridor Enhancement (PCE):** Staff continue to look into the possible use of a portion of property owned by Peace Presbyterian Church as a turnaround for the River Road end of the PCE corridor. Discussions with the church continue and have been positive, though the church has expressed a preference for a long-term lease rather than a sale of the property. The church appointed a subgroup to work with LTD on this issue. Church Elders have indicated a willingness to work with LTD and have requested a statement of interest from LTD in leasing their property. The development would include a small transit terminus with capacity for three or four buses, a small Park & Ride facility, and improvements to the existing church parking area that would be used as an overflow Park & Ride area. Staff are also holding discussions with City planning staff to clarify land use and zoning issues.

Staff are still monitoring development of the Santa Clara School site as an alternative transit station site.

### **METROPOLITAN PLANNING**

*Anita Yap, Transit Development Planner*

**Transportation Planning Committee (TPC):** TPC advises the MPC on metropolitan planning requirements and issues. At the TPC meeting held on November 28, 2005, the

TPC approved recommending an LTD amendment to the MTIP that would allow the District to purchase a greater number of replacement buses in 2006.

**Walnut Mixed-Use Center:** The Walnut Steering Committee met November 9 to review and discuss design options for the area. Results from a community open house were presented, along with recommendations from the consultant for land use concepts and infrastructure improvements. Another open house is scheduled for January 12 and the next Steering Committee meeting is scheduled for January 25.

**Razor Park Mixed-Use Project:** Staff are coordinating with the City of Eugene on a mixed-use designation for the Razor Park area. This is located along River Road and the first PCE corridor.

**Region 2050:** The Region 2050 Policy Advisory Board met on November 16. Representatives from the State Land Conservation and Development Commission and Department, Lane Shetterly and John VanLandingham, attended the meeting to discuss regional growth strategies with the Board. Discussion will continue in December and January on how cities can create an integrated local and regional growth management land use framework.

**ODOT Planning Projects:** Staff continue to participate on project advisory committees for the I-5/Franklin project and the Highway 126 Expressway Management Plan. Several open houses are planned for this month to solicit comments on the I-5/Franklin interchange proposals. Meetings with Springfield and Eugene City Councils are scheduled in December. Preliminary cost estimates and design options will be presented.

### **SERVICE PLANNING**

*Will Mueller, Acting Service Planning Manager*

- Changes made to fix route running time problems have been incorporated into the winter bid service package. These changes include an addition of nearly six hours in weekday platform hours and one hour on Saturdays. This represents a service increase of 0.21 percent. Additionally, route 7x *Symantec* will grow from four weekday one-way trips to nine to accommodate the opening of the Royal Caribbean Cruise Lines (RCCL) call center. The service costs for this service will be borne equally between LTD, Symantec, & RCCL.
- UO football shuttle ridership totaled 57,780 for the 2005 season – 702 more riders than LTD carried in 2004.

## **COMMUTER SOLUTIONS**

*Connie B. Williams, Program Manager*

### ▪ **Congestion Mitigation Program (CMP)/I-105 Construction Project**

- **EmX:** The CMP Team (Commuter Solutions and LCOG) has begun planning its outreach assistance for the Franklin EmX project. With the next phase of construction planned for February 2006 along Franklin Boulevard, the CMP plans to employ the successful strategies applied to the I-105 Project, including:
  - traffic modeling of Transportation Analysis Zones (TAZs) that will have greatest impact due to lane closures
  - targeted outreach to those TAZs
  - targeted outreach to existing CMP e-mail list representing more than 800 businesses in the region
  - advertising of the Keepusmoving.info Web site with EmX as a prominent feature. Please note that this Web site serves as a hyperlink and will connect the user directly to LTD's EmX site.
- **Gateway:** Preliminary planning is underway with City of Springfield to include the Keepusmoving.info site information about construction projects underway that affect roadway levels of service.
- **US Olympic Trials (2008):** The CMP Design Team have requested to be involved in the planning for the 2008 Olympic Trials. Contact has been made with Angel Jones at the City of Eugene who is heading up their efforts.
- **Web Site Development:** Working with LCOG, the CMP Team has begun discussion on the Keepusmoving.info Web page design to reflect major road construction projects throughout the region. In doing so, the Web site continues to be a regional information source with transportation options prominently highlighted.

### ▪ **Smart Ways to School Program**

- The "How Do You Get To School" contest concluded in the month of October. More than 650 students from 66 schools entered to win. More than 150 prizes were awarded.
- A week-long count of student ridership on LTD using the free SWTS/LTD passes was conducted. Results will be available for next month's report.
- SWTS convened a meeting with local city and county staff to begin developing a proposal for Safe Routes to School funding that will become available through the new Federal Highway legislation.

### ▪ **Regional Transportation Planning/Strategies**

#### **Group Pass/Emergency Ride Home Programs:**

- Sage software on Country Club Road signed up for the Emergency Ride Home program.

**CAPITAL PROJECTS**

*Charlie Simmons, Facilities Services Manager*

**Old Springfield Station:** This project involves the removal of the old station and the installation of landscaping and two new bus stops. The project is expected to be completed in January 2006.

**Shelter Project:** Replacement of old shelters with new, vandal-resistant shelters continues.

**Franklin Corridor EmX:**

*Sue Viggiano, EmX communications*

Construction update:

EmX road construction has slowed down a bit as the work in the Eugene downtown segment nears completion. Crews continue to work on the platforms of the Hilyard and Dad's Gate stations. The shelters for these two stations will be installed this month. Crews are also finishing the signal work at several intersections, including the new signals at E 11<sup>th</sup> & Mill Street and 10<sup>th</sup> & High Street.

The utility undergrounding work on the north side of Franklin Boulevard between Onyx and Riverfront Parkway is complete. In the same blocks, crews have begun the preliminary construction details for the road-widening work to be scheduled at the beginning of next year. It is yet to be determined whether all or some of the work on Franklin Boulevard will be schedule for day or night shifts. Staff will keep everyone informed as the schedule gets worked out.

Vehicle:

Staff continue to work with New Flyer on design details. The pilot vehicle is on schedule to come off the assembly line around January 15. A thorough inspection is scheduled for the week of January 19. After that, staff will schedule a trip to view the vehicle before it goes to Altoona for testing the first week of February.

**MARKETING AND  
COMMUNICATIONS**

*Andy Vobora, Director of Marketing and Communications*

**EVENTS**

- The Rosa Parks event was well-received. A small number of people participated in the food drive that was done in conjunction with the event, but the work done in the schools attracted much attention and positive feedback. Graphic Designer Hannah

Bradford deserves kudos for her idea to work with the schools and for implementation of the project.

- The District is co-hosting a speech by Richard Heinberg in January. LTD and EWEB will host this presentation on “peak oil.” More details will be provided as the date and time are firmed up. To learn more about Mr. Heinberg and his work, please visit the following Web page: <http://www.alternet.org/story/28212/>.
- Stuff the Bus was successfully implemented with our partners at KDUK and Bi-Mart. Thousands of pounds of food and many new toys were collected.

### **MEDIA**

- Media coverage focused on employee issues, the general manager evaluation, Board vacancies, and EmX.
- Paid media placements on the weather page ended December 1.
- Additional ads promoting December 1<sup>st</sup> in honor of Rosa Parks were placed.
- A letter to the editor by Jim Evangelista appeared on December 10. A response was submitted to the *Register-Guard*, which highlighted the opportunities people have for offering input and that improvements in service are reviewed as part of the Annual Route Review process that goes on during the budget process.

### **OUTREACH**

- The first general outreach meeting took place with a small group. The feedback received was very valuable and will be used to refine the presentation and meeting format. Additional meetings will be scheduled to begin monthly in January.
- The Governor’s office extended the deadline for Board member applications to February 3, 2006. They would like to provide more time to deepen the pool of applicants. LTD’s Web information was updated, a press release was sent out, and notice was sent to area chambers of commerce.

### **GROUP PASS**

- The ASUO budget submission was completed. The budget hearing will occur in early February. The LTD Leadership Council discussed the rate change and feels strongly that ASUO needs to adopt this budget and move to the full policy rate the following year. LTD has been slowly phasing the ASUO rate up to the Board policy rate over the past five years.
- Marketing staff are working with Commuter Solutions and LTD finance staff to renew contracts for 2006. The primary change is the implementation of the Board-approved 2.9 percent rate increase. Some groups purchase additional bus service, which will also result in increased cost due to the District’s increasing costs.
- Materials were updated for winter term registration at LCC.

## **ACCESSIBLE SERVICES**

*Terry Parker, Accessible Services Manager*

Terry Parker attended the EasterSeal ProjectACTION National Steering Committee Meeting held in Washington, D.C., on November 17 and 18. Highlights included:

- “The Current State of Transportation for People with Disabilities in the United States” as reported by the National Council on Disability, June 14, 2005
- FTA Office of Civil Rights guidance on (1) level boarding in new commuter rail and intercity rail stations, (2) origin-to-destination service obligations for complementary paratransit (*RideSource*), (3) accommodating Segways (when used as personal transportation devices) on transportation vehicles.
- SAFETEA-LU as it relates to transit services for people with disabilities

The Steering Committee advises and informs EasterSeal ProjectACTION on review and selection of projects of interest to public transit and people with disabilities.

Alternative Work Concepts had their busiest month to date. Transit hosts provided assistance for more than 1,000 trips. Staff conducted 90 hours of training to help people with disabilities learn to use The Bus!

## **TRANSIT OPERATIONS**

*Mark Johnson, Director of Transit Operations*

There is no Transit Operations report this month.

## **MAINTENANCE**

*Sam Marra, Director of Maintenance*

There is no Maintenance report.

<p style="text-align: center;"><b>FINANCE AND INFORMATION TECHNOLOGY</b></p>
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*Diane Hellekson, Director of Finance and Information Technology*

**FINANCE**

*Carol James, Accounting Manager*

Two hundred seventy nine (279) vendor checks, totaling \$2,804,556, were processed during the month of November, including \$492,513 to Wildish Building Company for work related to the EmX Franklin Corridor. A check for \$405,201 was issued to Evergreen Land Title Company to complete right-of-way acquisition for the EmX Franklin Corridor.

Eighty-three (83) payroll checks and 886 payroll direct deposits totaling \$801,770 were made in November 2005. These numbers reflect two pay dates in November.

Twelve cash fare deposits totaling \$133,478 were made in November 2005. This included approximately \$14,000 from special service for one football game and a total of eleven basketball games.

The FY 2004-2005 Comprehensive Annual Financial Report (CAFR) was presented to the Board at its November 16 meeting.

The development process for the Capital Improvements Program (CIP) for FY 2006-2014 continued in November 2005 with discussion and revisions as directed by the Leadership Council. A first draft of the Long-Range Financial Plan (LRFP) for FY 2006-2014 was provided to the Leadership Council for review.

**PURCHASING**

*Jeanette Bailor, Purchasing Manager*

Requests for proposal have gone out for Transit Station Cleaning; Janitorial Services; Heating, Air Conditioning, and Ventilating Services; Security Services; and Marketing Research. Staff anticipate moving forward with contract awards during the month of December.

Purchasing staff attended a one-day seminar in Portland discussing the Request for Proposal process in Oregon: how to improve the quality of your RFP and secure a better response from contractors. It was also a good time to network with other public purchasing professionals from around the state.



**INFORMATION TECHNOLOGY**

*Steve Parrott, IT Manager*

In the past month much of the IT staff has invested time and energy in assisting internal units with data analysis for process improvement, business problem solving efforts, and system performance evaluation. The data obtained through LTD's TransitMaster product in association with other technology systems is proving most useful in modeling LTD's fixed-route service, an important subject of many internal discussions these days. Hardware and software replacement cycles are occurring in accordance with planned timelines. IT staff are preparing to transfer LTD's Web site operations from an outsourced service provider to an in-house service. LTD has partnered with several local Internet service providers for Web hosting and feature services. In all cases, these partnerships proved to be less than satisfactory in areas of business stability, uptime reliability, and timely response to requested modifications. This experiment will help us to gain a better understanding of what LTD's IT staff are capable of doing with newer Web-based technology tools.

**HUMAN RESOURCES**

*Mary Neidig, Human Resources Director*

There is no HR report this month.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** JANUARY 2006 EMPLOYEE OF THE MONTH

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

**BACKGROUND:** January 2006 Employee of the Month: Bus Operator Richard Shrope was selected as the January 2006 Employee of the Month. Richard was hired by LTD in August 1995. He received the General Manager's Award for Excellence in 2004 and has received awards for nine years of safe driving and for exceptional attendance. He was nominated for this award by a visitor from California, who said that Richard was very helpful and facilitated her trip with "deep courtesy and splendid service." This rider also said that she had lived in major cities in several countries and that Eugene's bus system is outstanding!

When asked to comment on Richard's selection as Employee of the Month, Transit Services Manager Sue Quick said:

The customer who nominated Richard for this commendation said it best, "Richard was very helpful and facilitated my trip with deep courtesy and splendid service." During Richard's tenure with LTD, he has often gone "above and beyond" to provide good service to the community and the District. He has been involved with the Transportation Coordinator position and in this capacity has assisted with the service to football games, Country Fair, basketball service, and the Lane County Fair. At times, he has stood out in the not-so-pleasant Eugene whether elements to ensure that folks get boarded and back to their automobiles. We can depend on Richard to give 100 percent in all he does. His easygoing and thoughtful manner has been a positive contribution to the Operator Instructor program, where he provides the "on-route" training aspect for new operators. We thank Richard for his outstanding involvement in the District.

Our congratulations to Richard on his selection as the January 2006 Employee of the Month!

**AWARD:** Richard will attend the December 21, 2005, meeting to be introduced to the Board and receive his award.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** FLEET REPLACEMENT

**PREPARED BY:** Sam Marra, Director of Fleet Maintenance

**ACTION REQUESTED:** Direct staff to proceed with procurement of twenty (20) forty-foot, low-floor buses and five (5) sixty-foot articulated buses

**BACKGROUND:** The FTA requires that heavy-duty transit buses operate in service at least 12 years or 500,000 miles before they are eligible for replacement. LTD has been successful in operating its buses for a period of 15 years or more before pursuing replacement.

Currently, there are a total of twenty (20) 1991 buses that have met the District's replacement criteria of 15 years and are scheduled for replacement in FY 2006-07.

In addition, staff have identified the need to begin replacement of LTD's twenty-eight (28) 1994 buses as a result of their overall condition and noted design defects that will be costly to repair. These buses will have met the FTA's minimum requirements for replacement at 12 years in FY 2006-07. While it would be most desirable to replace all 28 buses, funding will support the replacement of only ten (10) buses at this time.

Upon review of current and future service needs, staff have determined that there is a need for additional articulated buses. As a result, staff recommends that we purchase twenty (20) forty-foot and five (5) sixty-foot articulated buses.

With the addition of the five (5) EmX buses currently on order, the District will have replaced a total of thirty (30) buses in FY 2006-07.

By authorizing staff to move forward with this purchase, LTD will be able to "piggyback" onto an existing order for the purchase of the forty-foot buses and will purchase sixty-foot articulated buses through LTD's existing contract with New Flyer. Failure to approve moving forward with this purchase at this time could greatly delay receipt of buses. Manufacturers are beginning to experience an influx of orders from agencies that require

delivery by December 31, 2006, to avoid the added costs for more restrictive emission equipment mandated for 2007.

The combination of state and federal funds as identified in the 2006-07 Capital Improvements Program (CIP) supports these purchases.

**RESULTS OF RECOMMENDED ACTION:**

Staff will research available options for piggybacking onto an existing procurement with the bus manufacturers and proceed with preparation of the necessary paperwork to purchase the 25 vehicles as proposed. Staff will amend the CIP to provide for an appropriation for the bus purchase in 2005-06 as required when a contract is signed.

**ATTACHMENT:**

None

**PROPOSED MOTION:**

I move that the following resolution be approved:

LTD Resolution Number 2005-038: It is hereby resolved that the LTD Board directs staff to begin the procurement process for twenty-five (25) low-floor, diesel-powered buses to replace buses that have met or exceeded their design life.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**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. **FY 2006-07 Service Recommendation:** Public hearings on proposed changes to routes and schedules will be scheduled for February 13 and March 13, 2006. The Board will be asked to approve the final recommended service package at the March 15, 2006, regular Board meeting.
- B. **FY 2006-07 Pricing Plan:** Public hearings on any proposed changes to the pricing plan will be scheduled for February and March, 2006, with final approval at the March 15, 2006, regular Board meeting.
- C. **EmX Updates:** Various action and information items will be placed on Board meeting agendas during the design and implementation phases of the EmX bus rapid transit project.



# LTD General Manager's Report to the Board of Directors

December 2005

*Prepared by Ken Hamm, General Manager*

## **FUTURE DATES TO REMEMBER**

December 25, 2005	Christmas Day (No service)
December 26, 2005	Administrative Offices Closed (Saturday schedule)
January 1, 2006	New Year's Day (Sunday schedule)
January 2, 2006	Administrative Offices Closed (Saturday schedule)
January 9, 2006	LTD Board Work Session (tentative)
January 18, 2006	LTD Regular Board Meeting
February 13, 2006	LTD Board Work Session (tentative)
February 15, 2006	LTD Regular Board Meeting

## **EXTERNAL ACTIVITIES**

### **Eugene Chamber Of Commerce**

On November 17<sup>th</sup> I joined many of the community's business leaders in a Business After Hours event at the downtown branch of Wells Fargo Bank.

### **SEL**

The Springfield Eugene Lane County CEOs continue to meet twice a month to discuss community business. The group met on November 18<sup>th</sup> to review the MPC issues.

### **Community Outreach**

On November 18<sup>th</sup> your GM gave a presentation to several community leaders at a lunch at the Eugene Chamber. The messaging was about LTD finances, LTD projects, and LTD's success in the community historically. It was well received and staff were able to collect thoughts about strengthening the message.

### **Public Partnerships**

On December 7<sup>th</sup> your GM met with Eugene City Manager Dennis Taylor to discuss future EmX corridors and the pending progressive corridor enhancements. The Franklin Corridor update was given. Discussion included City concerns and issues.

### **MPC**

On December 8<sup>th</sup> the Metropolitan Policy Committee met at Springfield City Hall.

## **INTERNAL ACTIVITIES**

### **Employee Listening Sessions**

Your GM held employee listening sessions throughout November and the first week of December, meeting at the CSC at noon on the November 15, in Operations on November 22 and 29 and December 1, in Maintenance November 29 and December 1, and in administration on November 28. I visited with many employees and heard many good comments and ideas. The comments and ideas will be reviewed and a summary will go back to the employees.

### **Employee Council**

Your GM met with the Employee Council, representatives of the administrative employees, on November 16. This employee group is very perceptive about the business of the District and is interested in the priorities of the strategic plans and the long-range financial plan.

### **Health Care**

The Joint Insurance Committee met on November 16<sup>th</sup> to review a health appraisal model and proposal. Employee involvement in their health and health education pays dividends for the employee and the employer. The JIC continues to look at these possibilities.

### **United Front**

Linda Lynch is working with LTD's partner jurisdictions to put together the next United Front congressional effort. The firm of Smith Dawson Andrews was in Eugene November 29<sup>th</sup> and 30<sup>th</sup> to work with United Front members on their priorities.

### **Accommodating Disabilities**

On November 30, Terry Parker, Rick Bailor, and I met with a customer regarding the definition of a service animal. LTD has been very inclusive over the years regarding our accommodation of people with disabilities and specially trained animals. We are now seeing an increase in animal requests and attempts to stretch the definition. Situations like this will challenge LTD in the future.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** GRANT APPLICATIONS

**PREPARED BY:** Todd Lipkin, Grant Administrator

**ACTION REQUESTED:**

- (1) Hold a public hearing on the grant applications
- (2) Approve grant applications

**BACKGROUND:** LTD funds its Capital Improvements Program (CIP) through a combination of federal, state, and local funds. LTD receives federal funds appropriated on an annual basis through the 5307 formula program and awarded through the Federal Transit Administration (FTA). LTD receives federal discretionary funds through the 5309 bus program. These federal discretionary programs are funded at 80 percent, with a 20 percent match provided by LTD. LTD also receives Surface Transportation Program-State (STP-State) funds, administered through the Oregon Department of Transportation Public Transit Division Grant Program, and State Transportation Program-Urban (STP-U) Flexible funds, which are allocated regionally through an application process administered at the discretion of the Central Lane Metropolitan Planning Organization. STP projects are funded at 89.73 percent with a 10.27 percent match.

### **FY 2005-2006 Bus Purchase**

This grant request is for \$7,447,262, which includes \$5,955,816 in 5307 formula funds, \$686,714 in 5309 discretionary funds, \$634,732 in STP funds, and \$170,000 in STP-U funds. This grant funds the purchase of 20 forty-foot low-floor buses and 5 articulated buses.

### **FY 2005-2006 CIP Grant**

This grant request is for \$1,735,758, which includes \$776,760 in 5307 formula funds, \$100,498 in STP-State funds and \$858,500 in STP-U discretionary funds. This request funds the remainder of the FY 2005-2006 Capital Improvements Program. Projects include the purchase of bus replacement spare parts, EmX Pioneer Parkway project development, shelter replacement, computer hardware and software,



miscellaneous equipment, automated passenger information systems, and Transportation Demand Management (TDM).

**EFFECT OF RECOMMENDED ACTION:**

LTD will be able to execute grant agreements with the Federal Transit Administration so that expenses for the applicable projects can be reimbursed immediately at their particular rate of federal participation (80 percent or 89.73 percent).

**ATTACHMENTS:**

FY 2005-2006 Bus Purchase Grant Application  
FY 2005-2006 CIP Grant Application

**PROPOSED MOTION:**

I move approval of the following resolution:

LTD Resolution No. 2005-036: It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed below which total \$9,183,020 in federal funds and authorizes the general manager to submit these applications to the Federal Transit Administration for approval.

- 1) FY 2005-2006 Bus Purchase Grant Application - \$7,447,262
- 2) FY 2005-2006 CIP Grant Application - \$1,735,758

## **AGENDA ITEM SUMMARY – GRANT APPLICATIONS**

**December 21, 2005**

### **Amended Proposed Motion:**

I move approval of the following resolution:

LTD Resolution No. 2005-036: It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed below which total \$9,183,020 in federal funds and theorizes the general manager to submit these applications to the Federal Transit Administration for approval.

- 1) FY 2005-206 Bus Purchase Grant Application - \$7,447,262
- 2) FY 2005-2006 CIP Grant Application - \$1,735,758

RESOLUTION PROPOSED FOR ADOPTION BY THE  
BOARD OF DIRECTORS OF LANE TRANSIT DISTRICT  
AT THEIR DECEMBER 21, 2005, MEETING

By adopting the following resolution the LTD Board would appoint Mark Pangborn as a Trustee of the LTD ATU Pension Trust, would appoint Mary Neidig as a Trustee of the LTD Salaried Employees' Retirement Plan, both to succeed Ken Hamm as Trustee, and would reappoint the other Trustees appointed by LTD (Gerry Gaydos for the Pension Trust; Gerry Gaydos and Mark Pangborn for the Retirement Plan):

Effective immediately:

1. Mark Pangborn is appointed as a Trustee under the Trust Agreement dated December 18, 1979, for the Lane Transit District and Amalgamated Transit Union, Local No. 757 Restated Retirement Plan (which Plan is now known as the Lane Transit District and Amalgamated Transit Union, Local No. 757 Pension Trust), as successor Trustee of Ken Hamm, who has resigned as a Trustee. Gerry Gaydos is reappointed as a Trustee under the Trust Agreement for the Pension Trust. After these appointments the Trustees under the Trust Agreement for the Pension Trust appointed by Lane Transit District are Gerry Gaydos and Mark Pangborn.

2. Mary Neidig is appointed as a Trustee under the Trust Agreement dated August 18, 1999, for the Lane Transit District Salaried Employees' Retirement Plan, as successor Trustee of Ken Hamm, who has resigned as a Trustee. Gerry Gaydos and Mark Pangborn are reappointed as Trustees under the Trust Agreement for the Retirement Plan. After these appointments the Trustees under the Trust Agreement for the Retirement Plan are Gerry Gaydos, Mark Pangborn, and Mary Neidig.

RESOLUTION PROPOSED FOR ADOPTION BY THE  
BOARD OF DIRECTORS OF LANE TRANSIT DISTRICT  
AT THEIR DECEMBER 21, 2005, MEETING

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** REVIEW OF LTD PENSION TRUST BENEFITS

**PREPARED BY:** Mary Neidig, Director of Human Resources and Risk Management

**ACTION REQUESTED:** None, Information only

**BACKGROUND:** The Board has begun a process of examining the current LTD pension benefits for employees. There are two pension plans that LTD supports: The LTD/ATU Pension Trust, for union employees, and the Salaried Employees Retirement Plan, for non-represented employees. At this meeting, two of the pension trust consultants, attorney Everett Moreland and actuary Pete Sturdivan, will be in attendance to provide a background briefing on the nature of the LTD pension benefits. They will also discuss the current state of affairs for employer pension benefits and how the LTD plans compare with other pension plans. As we all have experienced with the national debate on federal Social Security pension benefits, this is a complex subject with a number of different opinions on what should be done.

Staff envision that this meeting will be the first of a number of discussions with the Board, staff, and pension experts on what LTD needs to be doing or considering with regard to LTD employee pension benefits and the pension trusts.

**RESULTS OF RECOMMENDED ACTION:** To be determined

**ATTACHMENT:** Some material may be distributed at the Board meeting.

**PROPOSED MOTION:** None

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** MONTHLY PERFORMANCE AND LABOR TRENDS 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 monthly *Eugene/ Springfield Metro Labor Trends* publication from the Oregon Employment Department also is included for the Board's information.

**ATTACHMENTS:** November 2005 Performance Report  
November 2005 RideSource Performance Report  
December 2005 *Eugene/Springfield Metro Labor Trends*

**PROPOSED MOTION:** None

## Pioneer Parkway NEPA/New Starts Schedule

2005							2006												2007											
Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<i>Complete technical analysis</i>																														
							Preliminary Draft EIS to FTA; Partner Agencies																							
							Partner agency review of Draft EIS																							
							DEIS Available to Public																							
							Approval of LPA by City of Springfield and LTD																							
							New Starts Submittal to FTA; Request to enter PE																							
							FTA Approval to enter PE																							
							FTA New Starts Recommendations for FY 08 issued																							
							<i>Preliminary Engineering (30% design)</i>																							
							PE completed; FEIS issued																							
							Springfield City Council, LTD Board Approve Project																							
							EIS Record of Decision; New Starts submittal to FTA																							
							Start Final Design; Request FFGA																							
							(Construction starts summer 2008)																							

# Memorandum

**Date:** December 14, 2005  
**To:** All Employees  
**From:** Gerry Gaydos & Ken Hamm  
**RE:** The Coming Year

“Reliability initiative” may not be an official program name, but it captures the essence of the LTD Board’s annual two-day planning workshop held on December 9 and 10.

Each year the Board meets to begin the annual budget process by reviewing the District’s five strategic goals, and this year the Board strongly supported the Leadership Council’s recommendations to invest in reliability. Safety and reliability are cornerstones of LTD’s mission, and the coming year provides the opportunity to invest in areas directly impacting customers and employees. The following summarizes the Board’s discussion and will serve as a launch point for employee discussion over the coming months. Ultimately, the District’s budget process will bring these initiatives to life as funds are allocated for the coming fiscal year.

1. Service Reliability
  - a. Bus service –
    - i. Short-term fixes during winter bid and additional investments in fixes for Fall 2006. Beyond allocations for tight runs, investment in service that was cut in 2002 and 2004 will be closely reviewed. The bottom line is customers making connections and operators getting out of the seat.
    - ii. Long-term bus service reliability will include investments in a comprehensive service redesign (CSR), evaluating service delivery options, progressive corridor enhancement that includes signal priority and other improvements, and completion of current EmX projects that successfully move the bus out of traffic and allow running time to be protected.
  - b. Fleet
    - i. Replacement of 30 buses within the next year tops the list for improving fleet reliability. All 1991 buses and 10 1994 buses will be replaced with new low-floor, air conditioned buses. An additional bus replacement purchase is planned for 2008.



**Lane Transit District**

*P.O. Box 7070  
Eugene, Oregon 97401-0470*

*3500 East 17<sup>th</sup> Avenue  
Eugene, Oregon 97403*

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Internet: [www.ltd.org](http://www.ltd.org)*



- ii. Updating the preventive maintenance plan and developing training that utilizes maintenance staff skills in new ways.
    - iii. Providing resources to catch up on deferred maintenance that occurred over the past several years.
  - c. Facilities
    - i. In order to catch up on deferred maintenance at District facilities, materials and service funds will be moved to personnel services, providing funds for the hiring an additional staff person to perform this work.
    - ii. Development of a comprehensive facility master plan to guide District facility planning over the next 10 to 20 years.
- 2. Employee Relations and Employee Health
  - a. Communications
    - i. Develop a comprehensive employee communications approach. Some approaches have been more successful than others. Therefore, employees will review best practices and develop a new approach to foster better communication. This will include more clearly defining the role of the Board.
  - b. Training
    - i. A comprehensive training and skills development plan will be implemented throughout the District.
  - c. Incentives and Rewards
    - i. The District will examine programs eliminated during tough economic years.
  - d. Health Programs
    - i. The Joint Insurance Committee already is exploring programs and will play an oversight role in implementing new programs. Health education is needed as our workforce ages. The District will actively assist employees in learning ways to manage their health to avoid illness and injury.

The Board discussed other topics over a day and a half of meetings, but clearly this idea of a “Reliability Initiative” was foremost in the discussions. The key to implementing these initiatives will be your involvement. Employees have played an important role in communicating issues about service, issues about the workplace environment, and many of your ideas have been incorporated into the plan. This involvement doesn’t end now. Department directors will be coming back to you for more and it is your responsibility to take advantage of the opportunities to be involved.

The annual review of the strategic plan is the beginning of an exciting new year. Be a part of the positive changes that are ahead.

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** SERVICE PLANNING ISSUES

**PREPARED BY:** Stefano Viggiano, Director of Development Services

**ACTION REQUESTED:** For Board discussion and feedback

**BACKGROUND:** Attached is a memorandum that provides information on some key service planning issues. For each issue, the staff has provided background information and a course of action to address the issue.

The Service and Marketing Committee of the Board reviewed and discussed these changes at their meeting on November 17, 2005. The Committee supported the direction recommended by staff on these items. However, since the committee meeting, the staff recommendation regarding the Fall 2006 operator bid has changed. The new staff recommendation can be discussed at the meeting.

Board discussion and direction on these items is requested.

**ATTACHMENTS:**

1. Memorandum on Service Planning Issues
2. Proposed schedule for the Pioneer Parkway EmX project development.

**MOTION:** None



November 17, 2005

**MEMORANDUM**

**TO:** LTD Board of Directors  
**FROM:** Stefano Viggiano, Director of Development Services  
**RE:** **Service Planning Issues**

LTD is embarking upon a period of service changes that are unprecedented in the history of the District. During the next five years, LTD expects to be implementing two EmX corridors and three Progressive Corridor Enhancement (PCE) corridors. These service changes are in addition to the typical changes that are considered and implemented every year. There also is the possibility that there will be a Comprehensive Service Redesign within the next few years, with the major change a possible switch to a four-pulse system at the Eugene Station. This change would fit well with the planned 15-minute service on the PCE corridors.

This ambitious program has created a need for careful planning and allocation of resources. The Development Services Department is in the process of creating a Five-Year Development Plan. The plan is intended to coordinate the various service projects with needed support activities (such as marketing of the system and facility changes to support the service) and with other major planned projects in Accessible Service, Commuter Solutions, and Information Technology.

Following are some key issues that must be addressed very soon and should not wait to be addressed as part of the review of the Five-Year Development Plan.

**Progressive Corridor Enhancement (PCE) Implementation Schedule**

**Background**

The Board has directed staff to pursue implementation of improvements to key transit corridors consistent with the PCE approach. Funding for the implementation of three PCE corridors was obtained as part of SAFETEA-LU.

The LCC/River Road Corridor has been selected as the first PCE corridor. The plan has been to implement the first corridor in Fall 2006, about the same time as the Franklin EmX service begins. Some issues have arisen that have caused us to rethink this implementation schedule.

- ❑ Staff work to design and implement the PCE corridor, as well as work on the implementation of changes associated with the Franklin EmX implementation, would tax available resources. This problem has been greatly compounded by the recent resignation of Paul Zvonkovic, Service Planning Manager. In addition to coordinating the service planning group, Paul was the most experienced service planner. This loss of expertise is significant and cannot be easily replaced, especially in the short term.
- ❑ While there are a couple of options for the creation of a new bus turnaround north of Beltline on River Road, that facility would not be in place by Fall 2006. Consequently, a Fall 2006 service start would require use of neighborhood streets for the turnaround and a temporary on-street transfer facility.
- ❑ Marketing both the Franklin EmX and the new LCC/River Road PCE corridor at about the same time is not ideal. It is likely that publicity and marketing of the PCE corridor would be overshadowed by the higher-profile Franklin EmX implementation. It would be best to implement these two major service improvements in different years.
- ❑ The LCC/River Road PCE corridor requires the use of articulated buses for some trips to and from LCC. Since this service is paired with the River Road service, the number of articulated buses needed for the service is increased. (Note: Several of the River Road trips are very crowded and also will benefit from the larger vehicles.) LTD has plans to purchase five additional articulated buses; however, it is unclear whether these five buses will be available by Fall 2006.

## **Recommendation**

It is recommended that the implementation of the LCC/River Road PCE corridor be scheduled for Fall 2007. The second and third PCE corridor would be targeted for implementation in 2008 and 2009, with the Pioneer Parkway EmX scheduled for a Fall 2010 start date.

## **Fall 2006 Operator Bid**

### **Background**

Typically, the fall service operator bid is implemented in September, just prior to the start of fall term at the University of Oregon and Lane Community College. School year service, which had been eliminated for the summer, is added as part of the fall bid. The fall bid also is when service changes approved as part of the Annual Route Review typically are implemented. A new Rider's Digest that reflects the service changes also is produced to coincide with the start of the fall bid.

In Fall 2006, the major service change will be start of the Franklin EmX service; however, the EmX service will not be ready to start in September. The scheduled start date for Franklin EmX is expected to be in early December. Given that there are significant service changes associated with the start of EmX service, there will need to be a bus operator bid associated with its implementation. This "double fall bid" situation leads to a couple of key questions.

1. When should changes be implemented from the Annual Route Review that are not associated with Franklin EmX; at the September bid (as usually is done) or with the EmX implementation bid?
2. When should the Rider's Digest be issued? Options are in September, with the typical fall bid, or in conjunction with the start of EmX service.

### **Recommendation**

It is recommended that the Annual Route Review changes be implemented in September, as they normally are. Included in that bid would be all the changes associated with the Franklin EmX start, except for the actual EmX service and #11 Thurston changes. The December bid associated with the start of the Franklin EmX service would be limited to starting the EmX service and short-lining the #11 Thurston route at Springfield Station.

The Riders Digest would be issued to coincide with September bid. However, it would highlight information on changes to the #11 Thurston corridor that would be implemented as part of the December EmX implementation.

## **Pioneer Parkway EmX Planning**

### **Background**

The Pioneer Parkway EmX project is in the midst of the environmental review needed to satisfy the requirements of the National Environmental Policy Act (NEPA). In addition, work also is underway to satisfy the requirements for submitting the project for consideration of New Starts funds. While these are two separate processes, they need to be closely coordinated. For example, the New Starts submittal can be completed only after the NEPA process has reached a certain point.

While the NEPA process can proceed on a flexible review and approval schedule, there is an annual process for New Starts submittals. If the annual deadline for submittal of a New Starts application is missed, projects must wait an entire year to have the application considered.

LTD staff and the consultant team have developed a schedule designed to meet an August 2006 application for New Starts funds. If the August 2006 submittal date is missed, the application will need to wait until August 2007 to be considered by the Federal Transit Administration (FTA). The work schedule is ambitious. The technical analysis will have to occur at an accelerated rate. We also are relying on fairly fast reviews by the FTA, as well as an efficient process for public review and local decisions on the "Locally Preferred Alternative." A summary of the proposed schedule is attached.

This schedule would allow the project to be considered for funding in the 2007-08 federal fiscal year. Under this schedule, it would be conformable to meet a 2010 start date for service and, conceivably, a 2009 start date could be met. If the application is delayed by a year, the 2010 start date for service would be in doubt.

### **Recommendation**

Use the accelerated schedule and work hard to meet the required deadlines.

## **RiverBend Service**

### **Background**

PeaceHealth expects to have the new hospital operational in 2008. At that time, they expect to have 2,600 employees at the hospital and nearby medical office buildings, as well as another 800 employees at the RiverBend Annex (the old Sony site). The development will grow from that point to include residential and retail development and additional medical office employment.

It is clear that a fairly high level of transit service is needed for the RiverBend development. The Pioneer Parkway EmX will provide much of the needed service, although it is not expected to start operating until 2010. There is a need for interim service between 2008 and 2010, as well as supplemental conventional bus service even after the Pioneer Parkway EmX service starts in 2010.

The Long Range Financial Plan (LRFP) shows an increase of service for the Pioneer Parkway EmX in 2011-12. This budget allocation is a year later than the planned start of the Pioneer Parkway EmX and three years later than the opening of the hospital and the demand for additional service.

### **Recommendation**

It is recommended that the service increase in the LRFP that is tied to the Pioneer Parkway corridor be moved to 2008-09 to coincide with the opening of the hospital.

**Lane Transit District  
Resolution No. 2005 -037**

**A Resolution of the Board of the Lane Transit District Authorizing the  
District to Undertake a Loan in an Amount Not to Exceed \$9,200,000 for the  
Purpose of Providing Interim Financing for Certain Buses**

**WHEREAS**, the Lane Transit District (the “District”) is in the process of acquiring approximately 25 buses to be used in its mass transit operations (the “Replacement Buses”); and

**WHEREAS**, the District has arranged long-term financing for the Replacement Buses, including various federal discretionary grants that the District expects to receive over a period of years as funds are appropriated by Congress to fund such grants (such federal grants together with such other sources of long-term financing being herein collectively called the “Grants”); and

**WHEREAS**, the District expects to purchase the Replacement Buses in 2006 and needs to make provision for securing interim financing of the Replacement Buses pending receipt of the Grants; and

**WHEREAS**, pursuant to ORS 271.390 (the “Act”), the District is authorized to enter into contracts for the purpose of financing or refinancing real or personal property that the Board determines is needed for District purposes, including property such as the Replacement Buses; and

**WHEREAS**, the District has incurred, or will incur in the future, preliminary expenditures relating to the acquisition of the Replacement Buses, all within the meaning of Treasury Regulations, Section 1.150-2, and will continue to incur from time to time additional costs of acquiring the Replacement Buses (such preliminary expenditures together with such other costs of the Replacement Buses incurred and paid prior to the closing of the financing authorized herein being herein collectively called the “Pre-Issuance Expenditures”), which Pre-Issuance Expenditures, in accordance with the budget for the Replacement Buses and the District's operating budget, will ultimately be financed on an interim basis out of the proceeds of the financing authorized herein; and

**WHEREAS**, pending the issuance of, and the availability of the proceeds derived from the financing authorized herein, the Pre-Issuance Expenditures have been and will be paid on an interim basis out of monies which, in accordance with the District budget and budgetary practices, are not and will not be available on a long-term basis to pay such costs (the “Advances”), with the expectation and intent that the District will be reimbursed for all such Advances out of the proceeds of the interim financing when the same closes;

**NOW, THEREFORE, BE IT RESOLVED:**

**Section 1.** Subject to the limitations set forth herein, the Board hereby authorizes, empowers and directs the General Manager or the Acting General Manager of the District, as the case may be (the General Manager and any Acting General Manager being herein called the “General Manager”), and the District's Finance and Information Technology Director/Chief

Financial Officer (the “**Finance Director**”), and each of them acting individually, to do the following for and on behalf of the District: (a) solicit proposals from banks and other financial institutions to provide interim financing for the Replacement Buses (the “**Financing**”); (b) select the interim Financing proposal that best meets the needs of the District, including the execution and delivery of a term sheet setting forth the same and the payment of any commitment or loan fee required to be paid in connection therewith; and (c) negotiate the terms and conditions of such Financing, including the terms and conditions to be included in the related note and financing agreement.

**Section 2.** The Board further authorizes the District to undertake the Financing pursuant to the Act in a principal amount not to exceed \$9,200,000, or in such lesser principal amount as shall be sufficient to provide the funds needed for the interim financing of the Replacement Buses. The principal amount of the Financing shall mature over a period not to exceed four (4) years and shall bear interest payable periodically in arrears at a rate to be established pursuant to negotiations with the Bank, which shall not exceed the rate of 6.0 percent *per annum*, except in the event of a default by the District, in which case the note may bear interest at a default rate established pursuant to the Financing documents. The District’s obligation to repay the moneys loaned pursuant to the Financing shall be evidenced by a promissory note (the “**Note**”). The Note shall be issued in the form of a single fully registered Note. The Note shall be subject to prepayment in whole or in part at such times, under such conditions and at such price as shall be negotiated as authorized herein.

**Section 3.** Pursuant to and in accordance with the Act and other applicable laws of the State of Oregon, the obligation of the District to make the payments under the Note as provided in the Financing Agreement shall be an unconditional obligation of the District payable from all lawfully available revenues of the District, including without limitation: (a) revenues credited to the District’s general fund; (b) any the payroll and self-employment taxes imposed by the Issuer pursuant to ORS 267.380 and 267.385, as amended; and (c) the Grants (the foregoing being herein collectively called the “**Security**”). The District is hereby authorized to pledge all or any part of the Security as security for the payment of the amounts owing under the Note. The District hereby covenants and agrees to budget and appropriate in each fiscal year, in accordance with applicable law, sums sufficient to pay when due all amounts owing under the Note. The foregoing security provisions shall be included in the Note.

**Section 4.** The Financing Director shall be the custodian of the moneys received by the District from the Financing. The Financing Director shall apply such moneys for the purposes for which the Financing has been hereby authorized (including, without limitation, the payment of all costs incurred in connection with undertaking the Financing, including fees and expenses of Bond Counsel to the District and any fees or expenses of the Financing required to be paid by the District, including but not limited to any loan or commitment fees). Pending such application, such moneys shall be held in such bank account as the Finance Director shall determined and invested in accordance with the laws of the State of Oregon and the District’s investment policies.



**Section 5.** The General Manager and the Finance Director, and each of them acting individually, are each hereby authorized, empowered and directed, for and on behalf of the District, to enter into, execute and deliver any and all documents, instruments, or certificates as may be necessary or appropriate in order to accomplish the Financing, including but not limited to the Note and the related financing agreement, and to do and perform any and all other acts and things which may be required to obtain the Financing as contemplated by this Resolution.

**Section 6.** The Board of the District hereby declares its intent to finance all Pre-Issuance Expenditures out of the proceeds of the Financing as and when such proceeds become available to the District, and to reimburse itself out of the proceeds of the Financing for all Advances made for the purpose of paying on an interim basis all Pre-Issuance Expenditures. The District acknowledges that such reimbursement from Financing proceeds may be made only to the extent that all other applicable requirements of Treasury Regulations, Section 1.150-2, are met with respect to the Financing, the Pre-Issuance Costs, the sources of fund used to make the Advances and such reimbursement from Financing proceeds, but intends, and hereby directs all District officials and personnel, to take such lawful actions as may be necessary or appropriate in order to ensure that the Advances may be reimbursed from Financing proceeds to the fullest extent permitted by law. This Section 6 is intended to constitute an official declaration on the part of the District to reimburse itself out of the proceeds of the Financing for all Advances made to pay Pre-Issuance Expenditures, all within the meaning of and pursuant to Treasury Regulations, Section 1.150-2. Within 30 days after the date of adoption of this resolution, the Secretary of the Board shall make a certified copy hereof available for public inspection at the main administrative offices of the District, and shall keep such certified copy available for public inspection at said administrative offices until the Financing has been obtained.

**Section 7.** This Resolution shall take effect immediately upon its adoption by the Board.

Adopted by the Lane Transit District Board of Directors on the \_\_\_\_\_ day of December, 2005.

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**Date**

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**Board Secretary**

Q:\Reference\Board Packet\2005\12\Regular Mtg\short term bus borrow resolution 12 05 draft.DOC

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** December 21, 2005

**ITEM TITLE:** NEWS ARTICLES ABOUT TRANSIT ISSUES AROUND THE COUNTRY

**PREPARED BY:** Mark Pangborn, Assistant General Manager

**ACTION REQUESTED:** None

**BACKGROUND:** As begun in 2004, each month's Board packet includes articles about transit issues, including bus rapid transit (BRT) initiatives throughout the U.S. and the world. These articles are included in the packet for information purposes only.

**ATTACHMENTS:** See news articles

**PROPOSED MOTION:** None

ADRIAN MOORE, REASON FOUNDATION - Technology is doing something transit planners have been unable to do for decades - get people out of their cars. People working from home now outnumber mass transit commuters in 27 of the nation's 50 largest metropolitan areas. Telecommuting may be the most cost effective way to reduce rush-hour traffic and it can even improve how a weary nation copes with disasters, from hurricanes to terrorist attacks. It helps improve air quality, highway safety, and even health care as new technology allows top-notch physicians to be (virtually) anywhere.

Telecommuting expands opportunities for the handicapped, conserves energy, and when used as a substitute for offshore outsourcing it can help allay globalization fears. It can even make companies more profitable, which is good news for our nation's managers, many of whom have long been suspicious of telecommuting.

Other than driving alone, telecommuting is the only commute mode to gain market share since 1980. The Census Bureau notes that from 1990 to 2000 the number of those who usually worked at home grew by 23 percent, more than twice the rate of growth of the total labor market. Since 2000, telecommuting has continued to grow in popularity. Roughly 4.5 million Americans telecommute most work days, roughly 20 million telecommute for some period at least once per month, and nearly 45 million telecommute at least once per year. . .

Although they effectively receive no public subsidies, telecommuters actually outnumber transit commuters in a majority (27 out of 50) of major metropolitan areas (those with populations over 1 million). Telecommuters outnumber transit commuters in places like San Diego, Dallas, and Phoenix. They outnumber transit commuters by more than two to one in places like Raleigh-Durham, Tampa-St. Petersburg, and Nashville. In Oklahoma City telecommuters outnumber transit commuters by nearly five to one."

Judge to decide MARTA contract

By [PAUL DONSKY](#)

The Atlanta Journal-Constitution

Published on: 11/13/05

Bus manager maps a route to May ballot

Transit officials seek levies to avoid cuts in bus service

[DENNIS THOMPSON](#)

Statesman Journal

November 28, 2005

Voters in the May primary election also could hold the future of Salem's transit system in their hands.

The directors of the Salem Area Mass Transit District will consider whether to put one of two five-year levies on the May 16 ballot:

- A hold-the-line figure of 49 cents per \$1,000 assessed value that would maintain current levels of service by raising \$5.3 million per year.
- An increase of 67 cents per \$1,000 assessed value that would give the transit district an additional \$7.2 million annually, allowing it to improve bus service during the next five years.

Transit General Manager Jeff Hamm is gathering input from the public about whether voters will support such a measure.

Question: Why is the district seeking a bond measure?

Answer: The original financial plan for the district that was put together back in 1996 envisioned a 7- to 10-year period where we'd be depending on a certain level of local revenues from property tax. At the end of that 10 years it was going to be time to sit and re-evaluate.

So we're at that 10-year point. It's a combination of looking at our budget and our vision for the future, and those two things have combined to have the board looking for community feedback on a five-year levy of 67 cents per \$1,000.

Q: And they will be deciding in February whether to put the bond on the ballot?

A: No later than their February meeting, and I suspect it will be their February meeting.

Q: What are you hearing from the public so far?

A: It's mixed. There are those who don't think it's a good idea, that we should live within our current means, and there are others who think it's time for us to do things like adding Sunday service and providing additional service on crowded routes. So we're getting both of them.

Q: You've decided that if this moves forward, it will be put on the May ballot rather than the November general election. Why do it

## Jeff Hamm

Position:  
General  
manager,  
Salem Area  
Transit.

Age: 55.

Residence:  
South  
Salem.

Education:  
Bachelor's  
degree in  
political  
science,  
Beloit  
College,  
Beloit, Wis.  
Master's  
degree in  
urban  
planning  
from the  
University  
of  
Washington,  
Seattle.

Family:  
Married,  
three grown  
children.

earlier and run the risk of failing to get a double majority?

A: One of the reasons is we're going to need to collect this additional revenue starting next year. We're going to need those additional revenues by November 2006. If we wait until November 2006, we would not collect those additional revenues until November 2007.

We'll be in a deficit situation by the end of next year if we're not able to get additional dollars. If we're not successful in May, we're going to have to cut service.

Q: Is that your argument for people who say the transit district should live within its means, that living within its means equals cutting service?

A: We can certainly live within our means, but it's going to be a reduction in service to the community. And I think in a growing city like Salem, that's not the direction we should be going in. I think the board shares that belief.

To go back, the other thing about May is we've done some research, and we found that when there's been a contested gubernatorial primary, they've made the 50 percent of voters required for a double majority. It looks like on both the D and the R side there may be a contested gubernatorial primary in May, and there may be other contested seats on the county and city level. We're fairly confident that we'll get the 50 percent.

Q: Another issue that is of interest to people is the future of the north block of the Courthouse Square transit mall, since the mixed-use housing project proposed for there died last year. What's being planned for the north block?

A: The north block is owned jointly by Marion County and the transit district. Marion County owns about two-thirds of it. We own one-third. But the decision-making kind of has to be unanimous.

We need to meet with the county commissioners to see what course of action the two bodies want to take.

Q: What are some possibilities?

A: They range from going back out again with a request for proposals for a mixed-use development there. I know the county has concerns about not having enough office space in the future and wanting to sort of land-bank it. One of the parties could sell out to the other party if we don't have alignment in their views of what should be done with it. There are a lot of possibilities we will be discussing.

The land is just sitting there, and there's a considerable investment on the part of both the county and the transit district. There's probably over a million dollars invested in that property, just to have the

parking underneath it and have the slab on top and have it ready to be develop. Well, that's a sunk cost that if we're not getting any return on, that's an issue for me and it should be for the taxpayers as well.

Q: In the upcoming year, are there any changes to the transit system that riders or local residents should keep an eye out for?

A: Well, it's really all going to hinge on what happens in May. If we're successful in May, we will start looking to phase in additional service.

On the other hand, if we don't pass the measure, then we're going to start a series of public hearings to discuss proposals for reducing service, beginning in the summer.

Q: What's the toughest argument to respond to that you're hearing against the measure, and how do you respond to it?

A: Probably the toughest is, 'I don't use it and it doesn't come near me, so why should I vote for something like this?'

I guess the response is that like many public services you benefit from it even though you may not be directly using it.

There are a couple of ways you benefit from it. One is that Salem is growing and traffic congestion is growing in this community. The gridlock in Salem is worse than Eugene's. Traffic delay in Salem has gone from three hours per person per year in 1982 to 15 hours per person in 2003. You've got a trend of increasing traffic congestion.

We move 4,000 to 5,000 cars off the roadways in Salem. If we continue to grow and increase service, we're going to be able to increase that further. So for someone who drives during peak hour, we make a difference.

We're also making a difference in that our services are positioned to provide mobility for the elderly and the disabled and that's a population that's growing, and will continue to grow as the baby boomers age.

Plus, we're in an environment, gas prices have gone up, people are more conscious that we're perhaps more vulnerable on the energy side that we thought a year ago. Public transportation is a resource in the community to buffer itself against those kinds of things that can affect us.

[dmthomps@StatesmanJournal.com](mailto:dmthomps@StatesmanJournal.com) or (503) 399-6719

# The Oregonian

## I-205 light rail heads to next stop: Buying land

**Transit The extension to Clackamas Town Center is on track to open in September 2009**

Monday, November 14, 2005

STEVE MAYES

**The Oregonian**

The Interstate 205 light-rail extension south to Clackamas Town Center is moving from lines on paper to tracks on the ground.

TriMet will start buying land this month for park-and-ride stations along the 6.5-mile route south from the Gateway transit center. Most of the land needed for the tracks, which parallel the freeway, was set aside decades ago.

The federal government, which is supplying 60 percent of the money to build the line, gave the green light to property acquisition last month.

TriMet expects federal approval of a final design next year and to open the Green Line on schedule in September 2009, said Elizabeth Davidson, a spokeswoman for the transit agency.

"The big hurdle for us has been the federal (approval) process," Davidson said. "We're really happy with this project."

The I-205 project coincides with the rebuilding of the downtown Portland transit mall, at a combined cost of \$557 million.

Over the next 12 months, Tri-Met will buy 33 parcels for park-and-ride lots. More than half the properties are at the Johnson Creek Boulevard interchange near what will be the Fuller Road light-rail station and park-and-ride. The purchase of the homes and rental properties will require several households to relocate.

Most of the Green Line's park-and-ride spaces will be in Clackamas County -- 630 spaces at the Fuller Road station and 750 spaces in a parking garage at Clackamas Town Center. The mall's transit center will be on the ground level of the garage.

Clackamas County officials hope the new transit service will spur additional development along Southeast 82nd Avenue. Part of the Clackamas County portion of the light-rail line borders a neighborhood that for years has battled crime and drugs.

The county plans to include the area in a new urban renewal district, which could add affordable housing and fight the blight along 82nd Avenue. Some developers already have homed in on the area.

Reliance Development, a Portland firm, plans a 276-unit condominium project north of the mall. Land south of the Town Center station is zoned for high-rise office buildings, said John Rist, Clackamas County's light-rail project manager.

Rist said he expects that light rail will stimulate developers' interest in the site.

TriMet expects the Green Line to carry at least 33,000 riders daily by 2025.

The Clackamas park-and-rides will attract residents from Happy Valley and the sprawl of new subdivisions east of I-205, Rist said. The line also will be within walking distance of low-income neighborhoods and apartment projects west of the freeway.

The mall will be a major destination for southbound passengers. Commuters headed to downtown Portland -- a 38-minute trip -- will have an appealing alternative to the rising costs of gas and parking, Rist said.

"I think once it opens, it's going to be at capacity pretty darn soon," Rist said.

Steve Mayes: 503-294-5916; [stevemayes@news.oregonian.com](mailto:stevemayes@news.oregonian.com)



Judge to decide MARTA contract

By [PAUL DONSKY](#)

The Atlanta Journal-Constitution

Published on: 11/13/05

A DeKalb County judge will decide the terms of MARTA's next three-year contract with its employee union.

Union members on Friday overwhelmingly voted down a proposed contract that would have given workers a modest pay raise but also required a range of concessions.

No court hearing date has been set.

The deal offered would have given workers a 3 percent raise over three years, with the possibility of an additional 2 percent if performance targets were met.

In return, union workers would have had to pay significantly more to stay in the company's premium health care plan. The contract also would have given MARTA greater ability to contract out maintenance work and to use part-time drivers for special events, such as the Braves shuttle.

About two-thirds of the union members voted against the proposal, said Ernie Brooks, president of Amalgamated Transit Union 732, which represents MARTA's 2,800 bus drivers, train operators and other skilled workers.

"They feel they would rather take their chances going to the judge," Brooks said. "We're back to square one."

Last week, Brooks urged members to approve the contract, saying he felt it was a better deal than would be offered by a judge.

MARTA officials said the deal would have saved up to \$15 million over the next three years, a significant amount but not enough to shore up the agency's finances. MARTA has been under intense pressure to reduce costs and run its operations more like a private business, especially from the Republican lawmakers who control the state Legislature's MARTA oversight committee.

Turning to the judge is a gamble. In 2002, the union turned down a proposed 11 percent raise only to have a DeKalb judge set the raise at 7 percent.

The two sides have been negotiating since the beginning of the year but failed to reach an agreement before the contract expired in June. The union has been working under terms of its previous contract.

# MTA Sees Success in Orange Line

**Busway use is much higher than projections. But some say estimates were set cautiously low and that the numbers are misleading.**

By Caitlin Liu  
Times Staff Writer

November 21, 2005

Three weeks after the Orange Line opened in the San Fernando Valley, transportation officials are already hailing the busway as a big success: They originally projected 5,000 to 7,000 riders each weekday, but the line is attracting 10,000 to 12,000.

But transit experts said it's far too early for the Los Angeles County Metropolitan Transportation Authority to declare victory.

Some are quick to point out that the ridership projections for the Orange Line were radically lower than those for several other of the MTA's transit systems. For example, the light rail Gold Line, which runs from downtown Los Angeles to Sierra Madre, was projected to have 38,000 weekday boardings this year (it's actually running far below that, at about 15,000).

Another key point is whether Orange Line riders are motorists abandoning their cars to use mass transit or riders of other bus lines who switched to the busway. MTA officials said they didn't know the answer to that yet and were conducting ridership surveys to find out.

"We can't know for certain whether real ridership has gone up or down," said Brian Taylor, director of UCLA's Institute of Transportation Studies. "They may not be new riders to the service."

One indicator may lie in the Orange Line's parking facilities, most of which remain largely empty. The five parking lots along the route, which offer a combined 3,200 spaces, have been only about 20% occupied, according to the agency — suggesting that many, if not most, of the passengers are existing transit riders simply switching from another bus line.

"I think their projections are noise ... largely meaningless," said James E. Moore II, director of USC's transportation engineering program. "They got burned and are feeling embarrassed about the Gold Line, and they didn't want that to happen with the Orange Line."

MTA officials denied that they lowballed Orange Line ridership predictions but conceded that their forecasts might be more art than science.

"We didn't put it into a computer model," said Rod Goldman, the MTA's deputy executive officer for service development. "A lot of it was our educated guesswork based on our

experience."

To come up with projections for the 14-mile east-west transitway, MTA employees considered ridership along parallel bus lines in the Valley. Ridership on Ventura Boulevard is about 9,000 daily boardings and Victory Boulevard's is about 8,500, Goldman said. That yielded an estimate of first-year ridership of 5,000 to 8,000 boardings a day for the Orange Line.

It's unclear why the MTA then reduced the estimate to 5,000 to 7,000, but Goldman speculated that something "got lost in the translation."

The MTA did use computer modeling for long-term projections for the Orange Line. Taking into account growth patterns, job data and census statistics, the agency predicts that the busway will draw 19,000 to 25,000 riders a day by 2020.

The \$324-million Orange Line, a dedicated busway that runs from the Red Line subway station in North Hollywood west to Warner Center in Woodland Hills, is the first mass transit system that extends well into the San Fernando Valley.

"It's been so successful from a ridership point of view, they've had to add buses to the line," said county Supervisor Zev Yaroslavsky, an MTA board member who recently stood shoulder to shoulder among passengers on an Orange Line bus. "It has taken us all by surprise ... Even with added buses, they are full to the brim all the time."

But transportation experts said the real test for the busway will be whether the line gets people out of their cars and how it interacts with other transit systems such as the Red Line, which can take riders to Hollywood and downtown Los Angeles.

Officials have yet to complete studies to see whether the Orange Line is improving traffic on the 101 Freeway and nearby roads such as Ventura Boulevard.

The MTA has struggled with projections on other lines. When the Green Line opened in 1992, authorities predicted that the Norwalk-to-El Segundo rail system would attract 25,000 riders after its first year. Shortly before the light rail line opened in 1995, nervous officials revised their projection to 10,000 passenger boardings a day. Actual daily ridership after a year turned out to be 15,000. Today, the line carries 32,000 riders a day.

The MTA has done better with the Blue Line, which runs from Long Beach to downtown Los Angeles. Considered the most-used light rail line in North America, it carries 73,000 daily passengers. The Red Line subway carries about 112,000 riders a day.

Orange Line boosters say its ridership numbers are impressive even if most of those on board switched from other buses.

"Ridership is key....Once they see something that'll move them faster, they'll gravitate toward it," said Kymberleigh Richards, a transit advocate and vice chairwoman of the MTA's bus board for the San Fernando Valley. "If people are transferring to it and riding it, they see

value in it."

But USC's Moore is not convinced.

"A full train is not necessarily a victory," he said, citing how rail ridership rose after the MTA axed cheaper bus lines serving the same route. "That thinking ignores the trade-off. How many other bus lines have you given up to make way for the Orange Line?"

## **POSSIBLE transit strike will undoubtedly cause grief for the economy, but local businesses want the city to stick to its guns in talks with the OC Transpo drivers' union.**

"(Our members) are adamant in their support of the city," said Gail Logan, president of the Ottawa Chamber of Commerce.

Logan said the chamber's member businesses are prepared to put up with a strike because they don't want to pay for any increased wages for bus drivers through their taxes.

Nonetheless, a strike will be "disruptive" and "annoying" for business in the city, said Garth Whyte, executive vice-president of the Canadian Federation of Independent Business.

As employees who usually take the bus to work search for alternatives -- or get stuck in congested traffic -- employers will have to come up with strategies to deal with the situation, said Whyte.

"Employers may have to pick up the slack," said Whyte, adding the disruption will have an impact on productivity.

Logan said her members are already planning for a strike by talking to staff and exploring car-pooling or shuttle options. "They're also thinking about how customers will get to them," she added.

On Rideau St., Peggy Ducharme, head of the Downtown Rideau BIA, said her members learned from the last strike in 1996 and are not panicking. "Everybody's got to be creative," she said, adding a strike is not desirable, especially for an area like Rideau St. that relies heavily on transit traffic.

### **SHOPPERS IMPACTED**

For downtown retailers and other businesses, extra congestion may cause shoppers to stay away.

"It will be too much of a hassle," said Whyte.

The local economy also stands to lose out on millions of dollars with trucks, couriers and workers stuck on congested streets and highways, Whyte said, although the monetary impact will be determined partly by the length of a strike.

OC Transpo bus drivers are in the midst of a work-to-rule campaign that will likely continue for the rest of the week.

The issue of contracting out 35 specialized jobs for the maintenance and driving of light rail trains remains the sticking point in contract negotiations, a city official said.

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## Same boat, different city

By [Marisa Lagos](#)

Muni is not alone in its budget woes — almost every large transportation provider in the Bay Area and beyond is grappling with similar problems.

“Virtually every agency in the Bay Area has voted to raise fares, cut service or both,” said John Goodwin, a spokesman at the regional Metropolitan Transportation Commission.

All the agencies point toward factors they have no power to control — sharply rising gas prices, rocketing health care and benefit costs and traffic congestion that slows down service.

SamTrans, BART, AC Transit and Caltrain are among the local agencies that have had to make tough decisions in recent years. In Santa Clara County, Valley Transportation Authority was hit the hardest, with a 30 percent drop in ridership and 20 percent decrease in service over the last several years.

Across the country, large transit-dependent cities are also floundering. Chicago’s transit fares, already \$2, may increase another 25 cents next year, Pittsburgh’s system made service cuts, and Washington, D.C.’s agency increased its fares.

There was good news on the Peninsula last week, however: Caltrain announced a 9 percent increase in weekday ridership and 27 percent revenue increase compared with last year.

The jumps, say Caltrain officials, can be directly linked to the Baby Bullet trains the agency rolled out in 2004, which offer faster, more efficient service.

“That harkens to the kinds of things our service planning people are looking at, creative ways to speed up the system,” Muni spokeswoman Maggie Lynch said, referring to several audits of the system that are expected to be completed next year.

Transit strike ready for launch

By [Eric Heyl](#)

TRIBUNE-REVIEW

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*"The drivers of the buses went round and round  
In contract talks, then they found  
Their threats to shut the buses down  
Caused frowns through the town."*

*-- Public transit traditional*

Unless a long-standing contract impasse is settled, Port Authority of Allegheny County drivers will hold a strike vote a week from today. The region's first transit work stoppage since 1992 appears to be a distinct possibility.

It's easy to see why. These public employees are grossly underpaid.

Authority bus and light-rail vehicle drivers earn an average of just \$47,000 annually -- that's not even \$10,000 more than the \$38,532 the average Pennsylvania worker makes each year.

Many drivers are forced to accumulate significant overtime just to avoid the social stigma of pulling in less than \$50,000 a year. (Several drivers were so intent on not being shamed a few years back that they worked enough overtime to push their salaries over \$90,000.)

Authority vehicle operators' top hourly salaries of \$21.53 simply aren't commensurate with their duties. Although it's true you don't have to be a rocket scientist to hold many positions in the work force, that trite line certainly doesn't apply to bus drivers.

Don't believe me? Compare the job descriptions of bus drivers and physicists -- they're the people who build rockets -- as defined by the U.S. Department of Labor:

**Responsibilities:**

Bus Driver: Drive vehicle, collect fares, answer questions about schedules, routes and transfer points, occasionally announce stops.

Physicist: Explore and identify basic principles governing the structure and behavior of matter, the generation and transfer of energy and the interaction of matter and energy.

**Qualifications:**

Bus driver: Commercial driver's license, 20/40 vision, normal use of arms and legs.

Physicist: Typically a doctoral degree, postdoctoral research, mathematical ability, problem-solving and analytical skills, an inquisitive mind, imagination and initiative.

Bus drivers have more interaction with the public; physicists have more dealings with the principles of gravity and velocity. But in terms of occupational requirements, the jobs certainly seem similar.

The drivers' union hasn't groused that the authority isn't offering anywhere near the median annual salary of American physicists (\$85,000, according to the Department of Labor). Nor has it complained about the authority spending revenues from its two fare hikes since 2001 on frivolous items such as a balanced budget.

Au contraire. The union has bargained in good faith, even agreeing that drivers will assume a share of their health care costs for the first time. Name me one other profession where employees contribute to their health plan.

Stumped, aren't you?

Despite the union's reasonable, understated negotiating approach, the authority appears determined to stand firm and provoke a walkout.

It doesn't take a rocket scientist to determine that this is one labor dispute that could soon turn ugly.



Transit workers and the Metropolitan Transportation Authority intensified their rhetoric Thursday as they entered the final hours of negotiations before their contract expires, trying to iron out a last-minute deal that would avert a devastating strike.

The two sides remain far apart, and leaders from both groups expressed frustration at their ability to break the impasse.

MTA chairman Peter Kalikow suggested at a news conference that an arbitrator might be the best person to help reach a deal -- a statement that infuriated the union.

"We believe the remarks by Chairman Kalikow are very unfortunate, and (it) does not bode well for these negotiations," said Roger Toussaint, president of the Transport Workers Union.

"These comments do not sound like the Chairman Kalikow that I know," Toussaint said. "We can only conclude that this is the governor speaking to the people of New York City from his fundraiser in New Hampshire."

A strike would leave more than 7 million riders a day looking for alternate transportation. Mayor Michael Bloomberg's advice: Get creative.

"It will not be easy for anybody in any part of all five boroughs, and the only thing I can urge you to do is to make plans, try to be inventive, bicycle, walk, stay with a friend," Bloomberg said.

The MTA and the Transport Workers Union's 33,000 members are at odds on issues including wages and pension contributions. The old contract expires Friday at 12:01 a.m.

"I sincerely hope that the TWU soon comes to appreciate that we are trying to address these critical issues in the least disruptive way possible," Kalikow said. "I am hopeful that when they do there will be a successful resolution to these negotiations." The workers want 8 percent annual raises over three years and contend they should get a share of the MTA's \$1 billion surplus.

A shoving match broke out just outside the doors to the press conference at one point when transit union security scuffled with several dissident union members -- among them TWU Local 100 Vice President John Mooney who claimed security had prevented he and four other vice presidents from entering the talks.

"I have a right to be here," he said. "I have a right to be at the main table."

Mayor Michael Bloomberg Wednesday outlined the city's elaborate contingency plans, while union leaders distributed their own strike plans to members even as they offered a wage concession during negotiations.

During bargaining Wednesday, the union offered to lower its 8 percent per year wage demand if the MTA agreed to reductions in the number of disciplinary actions against workers, according to a source close to the talks. The authority took 15,000 disciplinary actions against employees last year, the source said.

Tom Kelly, an MTA spokesman, confirmed the offer Wednesday night, but said the union did not make a specific wage demand.

The union distributed a three-page flyer setting procedures for employees walking off the job, urging members to ensure "that the entire mass transit system is shut down safely and efficiently."

The instructions include locking subway turnstiles at 12:01 but leaving stairways and high-entry gates open so passengers can leave stations. Bus drivers were instructed to deliver passengers to their destinations before returning "dark" buses to the depot. Train operators were told to complete their trips and then return out of service trains to their home terminals.

The MTA board approved a \$9.3 billion budget for 2006, which calls for spending \$700 million of a \$1 billion surplus on pension payments, fare discounts and security improvements. Union leaders accused the authority of spending the unexpected windfall, which they claim is significantly higher, before the contract talks.

The city warned all commuters to plan for crowded streets and regional rail service, even with a dozen restrictions and extra transportation in place.

"The bottom line is, no matter what restrictions we have, the street will be full of cars and you can expect delays," Bloomberg said.

The plan includes extended service on the Staten Island ferry, restrictions on cars carrying less than four people and rush-hour lane reversals.

Taxis will charge each passenger \$10 initially and \$5 each time the cab travels through a newly established zone during the trip.

The MTA also authorized a special "strike fare" of \$4 per ride for people taking the Long Island and MetroNorth railroads between stations in the city. In case of a strike, the commuter railroads will operate shuttle train service in addition to regular service from the Bronx, Brooklyn and Queens. The extra service will not go into effect until 24 hours after a strike is called.

Lawyers for both the city and union also continued to exchange barbs Wednesday over the city's complaint asking a judge to fine the union \$1 million and each striker \$25,000 on the first day of a walkout. A judge has already granted an injunction barring the nearly 34,000 bus and subway workers from staging a strike, which is prohibited by state law.

Michael Cardozo, city corporation counsel, said his office will proceed with its complaint should workers hold a walkout at the contract deadline.

"The city's complaint puts forward a strong claim for damages to be recovered should the union take the illegal and nefarious action of striking," he said.

Arthur Schwartz, the union's lawyer, called the city's legal action a "hoax."

"It's simply an effort by the mayor and corporation counsel to interfere with the negotiation process and intimidate the members," he said.

At a City Hall news conference, Bloomberg warned against a strike.

"The real losers in an illegal strike are the people who would lose their jobs and not be able to feed their families," the mayor said. "Strikers, if they strike, they are going to be badly hurt. ... There are no winners in a strike."

The two sides were still at the bargaining table Wednesday night.

During a break in the talks, the union's recording secretary, Darlene Lawson, said the MTA was not negotiating in good faith. "We're just spinning our wheels at this point," she said.

TWU Local 100 members over the weekend authorized their union to call a strike if the two sides fail to reach an agreement by the deadline.

On Monday, the MTA's latest wage offer included a 3 percent raise in the first 15 months and a second 3 percent increase over the final 12 months of a 27-month contract. The union rejected the offer. The two sides are sorting out issues involving pensions, health benefits for retired workers and health care premiums for new workers.

*The Associated Press contributed to this report.*