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LANE TRANSIT DISTRICT REGULAR BOARD MEETING

Wednesday, January 18, 2006
5:30 p.m.

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

A G E N D A

| | <u>Page No.</u> |
|------------------------------------------------------------------|-----------------|
| I. CALL TO ORDER | |
| II. ROLL CALL | |
| Gant _____ Gaydos _____ Kortge _____ Ban _____ | |
| Davis _____ Eyster _____ (Vacancy) _____ | |
| <u>The following agenda items will begin at 5:30 p.m.</u> | |
| III. PRELIMINARY REMARKS BY BOARD PRESIDENT | |
| IV. ANNOUNCEMENTS AND ADDITIONS TO AGENDA | 04 |
| V. BOARD CALENDARS (5 minutes) | 05 |
| VI. WORK SESSION | |
| A. FY 2006-07 Pricing Plan (15-20 minutes) | 06 |
| B. 2006 Annual Route Review (30 minutes) | 19 |
| <u>The following agenda items will begin at 6:30 p.m.</u> | |
| VII. EMPLOYEE OF THE MONTH – February 2006 (5 minutes) | 22 |
| VIII. AUDIENCE PARTICIPATION | |
| ◆ Each speaker is limited to three (3) minutes. | |

IX. ITEMS FOR ACTION AT THIS MEETING

- | | | |
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| A. | Consent Calendar (1 minute) | 23 |
| | 1. Minutes December 2, 2005, Special Board Meeting (Page 24) | |
| | 2. Minutes December 21, 2005, Regular Board Meeting (Page 27) | |
| | 3. Budget Committee Nomination (Page 40) | |
| B. | Supplemental Budget for FY 2005-06 (10 minutes) | 42 |
| | 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. | Franklin EmX Property Acquisition (10 minutes) | 44 |
| D. | Election of Board Treasurer and Committee Assignments (5 minutes) | 49 |

X. ITEMS FOR INFORMATION AT THIS MEETING

- | | | |
|----|-------------------------------------------------------|----|
| A. | Current Activities | |
| | 1. Board Member Reports (respond if questions) | 51 |
| | (a) <u>Meetings Held or Attended</u> | |
| | (1) Metropolitan Policy Committee – January 12 | |
| | (2) Board Finance Committee—January 12 | |
| | (3) Board HR Committee—January 17 | |
| | (b) <u>No Meeting/No Report</u> | |
| | (1) Board Communication and Process Committee | |
| | (2) Board Service Planning & Marketing Committee | |
| | (3) Region 2050 Policy Advisory Board | |
| | (4) EmX Steering Committee | |
| | 2. General Manager's Report (respond if questions) | 53 |
| | 3. Monthly Financial Report—December 2005 (5 minutes) | 55 |

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| 4. Route #98 Cottage Grove Rider Survey (respond if questions) | 67 |
| 5. News Articles About Transit Issues (respond if questions) | 70 |
| B. Monthly Department Reports (respond if questions) | 75 |
| C. Monthly Performance and Labor Trends Reports (respond if questions) | 85 |
| XI. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING | 99 |
| A. FY 2006-07 Service Recommendation | |
| B. FY 2006-07 Pricing Plan | |
| C. Facilities Overview | |
| D. EmX Updates/Eugene Segment Franklin EmX Review | |
| XII. ADJOURNMENT | |

Alternative formats of printed material and or a sign language interpreter will be made available with 48 hours' notice. The facility used for this meeting is wheelchair accessible. For more information, please call 682-6100 (voice) or 1-800-735-2900 (TTY, through Oregon Relay, for persons with hearing impairments).

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

ITEM TITLE: #98 RIDER SURVEY

PREPARED BY: Will Mueller, Acting Service Planning Manager

ACTION REQUESTED: For Board information

BACKGROUND: The Service Planning staff has been interested in garnering additional information regarding the *98 Cottage Grove* route in order to understand better the needs and bus riding habits of its customers. The #98 is LTD's most heavily utilized rural route, and Planning is interested in enhancing the service as soon as the resources are available. To that end, LTD commissioned Lockwood Research to distribute and collect a paper survey to bus riders of the #98 leaving from Cottage Grove and Creswell. The survey was conducted on four consecutive days from November 14 through November 17. The attached document includes the introduction and highlights of the findings from this survey.

ATTACHMENTS: Introduction & Highlights of #98 Rider Survey

MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 18, 2006
- ITEM TITLE:** WORK SESSION: 2006-07 PRICING PLAN DISCUSSION
- PREPARED BY:** Andy Vobora, Director of Marketing and Planning
- ACTION REQUESTED:** Discuss and direct staff regarding possible pricing plan and fare policy changes.
- BACKGROUND:** The Board Finance Committee reviewed potential changes to the District's pricing plan and fare policy at their January 12, 2006, meeting. As a result of these discussions, the following policy changes are recommended for discussion by the full Board:
- Modify the review process to formally include the Finance Committee
 - Delineate more clearly a list of factors to be reviewed when fare changes are considered by the Board
 - Modify the "should not exceed" amount to 10 percent per year and suggest that fare changes be rotated by fare category
 - Add 501-c-19 organizations to the Non-profit Agency Program
 - Change increases to group pass rates from annually to bi-annually and tie the increase to the consumer price index
- With respect to fare changes for 2006-07, the committee reviewed a token price change from \$1.00 to \$1.10 per token. This change would result in approximately \$25,000.00 in added fare revenue. A history of LTD pricing changes is included for the Board's review. The last change in LTD base fare prices occurred in 2002 when token prices moved from \$0.80 to \$1.00 and pass prices moved from \$28.00 per month to \$35.00 per month.
- Committee members will lead a discussion about these proposals and staff will provide additional background as requested.
- RESULTS OF RECOMMENDED ACTION:** Staff will prepare a formal pricing plan proposal and for the February 13 special Board meeting. Public hearing notices and other public information will be distributed to inform LTD customers of changes and provide a listing of opportunities to testify about the proposal.
- ATTACHMENTS:** Fare Policy
Pricing Plan
- PROPOSED MOTION:** None

AGENDA ITEM SUMMARY

2

DATE OF MEETING: January 18, 2006

ITEM TITLE: DECEMBER FINANCIAL STATEMENTS

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

ACTION REQUESTED: None

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

Passenger fares were 6.3 percent higher for the first six months of the new fiscal year over the same period last year. Ridership for the rolling twelve-month period, which ended December 31, increased 2.7 percent, despite the effect of the strike in March. Without the strike effect, ridership growth would have been higher. Ridership is strong, and 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 11.8 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 December. However, revenue was received in December 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.

State-in-lieu receipts, which are received quarterly, were down for the quarter ending December 31 versus the same quarter last year. Year-to-date receipts are also below those of the last fiscal year, and this resource now shows a \$45,300 negative variance versus current year-to-date budget. The reason why this revenue source has declined is unknown. The negative variance will be more than offset by the positive payroll tax receipt budget variance.

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 nonrepresented 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 six 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. Factors contributing to year-to-year comparison anomalies are labor negotiation expenses last year, two quarters of Springfield Station operating expenses this year versus one last year, and the APTA Expo in the current fiscal year. LTD traditionally sends a larger contingent of Board members and employees to the expositions, which are held every three years and feature displays of equipment and technology.

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 crept upward to \$1.8727 on December 22 after reaching a year-to-date low of 1.6765 per gallon on December 12, 2005. The highest fuel price of \$2.6633 per gallon was reached on October 13. The current-

year budget assumed a rate of \$2.10 per gallon. The six-month average is now \$2.1514, down from \$2.2430 through November. If fuel prices remain below the budgeted average, it could be possible to finish the current fiscal year on budget for fuel. Halfway through the current fiscal year, 49.32 percent of the fuel budget has been consumed.

The General Fund is stable through December.

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

Capital Projects Fund activity showed continued Franklin EmX corridor construction, although the pace slowed substantially. Planning work continued for the Pioneer Parkway EmX corridor, also.

Fiscal year 2006-07 budget development is underway with preliminary drafts of the revised Capital Improvements Program (CIP) and Long-Range Financial Plan (LRFP) under consideration by both staff and the Board. The Finance Committee of the Board met on January 12 to review draft plan assumptions and will meet again on February 7 before forwarding recommendations to the full Board.

ATTACHMENTS:

Attached are the following financial reports for December 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: January 18, 2006

ITEM TITLE: DECEMBER 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

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

ITEM TITLE: FRANKLIN EMX PROPERTY ACQUISITION

PREPARED BY: Sue Viggiano, EmX Public Relations Representative

ACTION REQUESTED: Approval of attached Resolution No. 2006-003

BACKGROUND: As part of a Cost Reduction Exercise (CRE) and the ballot measure passed by citizens of Springfield in 2004 that created an Urban Renewal District in part of Glenwood, a redesign of Franklin EmX occurred. Rather than invest in permanent median stations now, a decision was made to hold off on the investment and work with Springfield as they develop plans for Glenwood. The redesign for EmX in Glenwood resulted in four small curbside stations (two eastbound and two westbound) as well as the original median station at McVay. The redesign also resulted in the temporary stations being located on property that was not originally needed, specifically property owned by CCJS Holding. The property owners have been notified by LTD staff with regard to the amount and location of their property that is to be acquired. This land will be purchased according to federal regulations that ensure fair and just compensation for the property owners. This property is vacant land – no business will be affected by the acquisition. All of the property that is acquired for the EmX project will become part of the public right-of-way for the corridor.

RESULTS OF RECOMMENDED ACTION: Staff will continue to work with specialists to move ahead on the acquisition process, which includes: survey and appraisal of the property, negotiations with the property owner, and final acquisition of the property.

ATTACHMENT: LTD Resolution No. 2006-003

PROPOSED MOTION: I move approval of LTD Resolution No. 2006-003 authorizing the Lane Transit District to acquire by purchase or by the exercise of the Power of Eminent Domain certain Real Property necessary for the Franklin EmX project as represented in the Resolution.

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: January 18, 2006

ITEM TITLE: GENERAL MANAGER SELECTION PROCESS

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

ACTION REQUESTED: None

BACKGROUND: At the Board's annual work session in December, the Board Human Resources Committee presented potential timelines for the general manager selection process. It included an accelerated timeline that would begin with Human Resources Committee action beginning this month. The Human Resources Committee met on January 17, 2006, to discuss options and decided not to proceed with the accelerated approach. The Committee will bring this back to the February Board meeting for a full discussion and agreement on action.

ATTACHMENTS: Draft materials regarding Executive Search Process handed out at the December Work Session.

PROPOSED MOTION: None

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

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

| | 1982-1984 =100 | | |
|-----------------|----------------|---------------------|--------------|
| | | change from last | |
| | Portland CPI | year | GP Increases |
| Jan - June 2005 | 194.5 | +2.5% | 5.9% |
| July - Dec 2004 | 192.5 | +3.2% | |
| Jan -June 2004 | 189.8 | +2.0% | 0.0% |
| July -Dec 2003 | 186.5 | +1.4% | |
| Jan- June 2003 | 186 | +1.4% | 6.0% |
| July - Dec 2002 | 184 | +0.2% | |
| Jan- June 2002 | 183.5 | +1.3% | 14.9% * |
| July - Dec 2001 | 183.6 | +2.3% | |
| Jan- June 2001 | 181.2 | +2.7% | 3.2% |
| July - Dec 2000 | 179.5 | +2.9% | |
| Jan - June 2000 | 176.4 | +3.39% | |

* Policy change to a minimum amount for all groups

LANE TRANSIT DISTRICT

**Pricing Proposal Summary
2006-2007**

Cash Fare

| | Current: | Proposed: |
|----------------|-----------------|------------------|
| Adult | \$1.25 | n/c |
| Youth | \$0.60 | n/c |
| Child | \$0.60 | n/c |
| Reduced | \$0.60 | n/c |
| Senior | \$0.60 | n/c |

RideSource

| | Current: | Proposed: |
|-------------------|-----------------|------------------|
| Regular | \$2.50 | n/c |
| Escort | \$2.50 | n/c |
| Shopper* | \$2.00 | n/c |
| <i>10 Tickets</i> | \$20.00 | n/c |
| *Round-trip fare | | |

Passes

| | | |
|--------------|---------|-----|
| Adult | | |
| 1-Month: | \$35.00 | n/c |
| 3-Month: | \$95.00 | n/c |

| | | |
|-------------------------------|---------|-----|
| Youth, Senior, Reduced | | |
| 1-Month: | \$17.50 | n/c |
| 3-Month: | \$47.50 | n/c |

Sales Outlet Wholesale Discount

| | Current: | Proposed: |
|--|-----------------|------------------|
|--|-----------------|------------------|

Day Pass

| | | |
|-------------------------------|--------|-----|
| Adult | \$2.50 | n/c |
| Youth, Senior, Reduced | \$1.20 | n/c |

Passes

| | Discount | Discount |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

| | | |
|--------|------|-----|
| 0-500+ | 5.0% | n/c |
|--------|------|-----|

| | | |
|---------------|-----|-----|
| Tokens | | |
| 0-500+ | n/a | n/a |

| | | |
|---------------|--------|--------|
| Tokens | | |
| Full Fare | \$1.00 | \$1.10 |

| | | |
|---------------------|--------|-----|
| Shuttle Fare | \$0.50 | n/c |
|---------------------|--------|-----|

| | | |
|-----------------|-----|------|
| EmX Fare | n/a | Free |
|-----------------|-----|------|

| | | | |
|----------------------------------------------------|-----|---------------------------------|----------------------|
| Special Programs - not covered by ordinance | | Group Pass (2006 change) | +2.9% |
| Summer Youth Pass - June/July/Aug | tbd | Current quarterly rates: | \$10.11 taxpayer |
| | | | \$11.79 non-taxpayer |
| | | Proposed quarterly rates: | \$10.41 taxpayer |
| | | | \$12.12 non-taxpayer |

Sorted by Monthly Pass Prices

| | Adult Cash Fare | Token or Multi-Ride Card/Tickets | Daily Pass | Adult Monthly Pass | Adult Multi-Month Pass |
|------------------------------|-----------------|----------------------------------|---------------|--------------------|------------------------|
| Tri-Met* | \$1.80 | \$1.80 | \$3.75 | \$66.00 | \$726.00 (annual) |
| Vancouver, Washington* | \$1.25 | \$1.25 | \$3.00 | \$44.00 | \$484 (annual) |
| Reno, Nevada* | \$1.65 | \$1.50 | \$4.00 | \$62.00 | n/a |
| Livermore, California | \$1.25 | \$0.85 | n/a | \$60.00 | n/a |
| Santa Cruz, California | \$1.50 | n/a | \$4.50 | \$50.00 | n/a |
| Average | | | | \$38.58 | |
| Ann Arbor, Michigan | \$1.00 | \$1.00 | n/a | \$37.50 | n/a |
| Lane Transit District | \$1.25 | \$1.00 | \$2.50 | \$35.00 | \$95 (3 month) |
| Colorado Springs, Colorado | \$1.25 | n/a | \$2.00 | \$35.00 | n/a |
| Fort Collins, Colorado | \$1.25 | \$0.90 | n/a | \$25.00 | n/a |
| Olympia, Washington | \$0.75 | \$0.75 | \$1.50 | \$25.00 | n/a |
| Bakersfield, California | \$0.75 | \$0.75 | \$1.75 | \$25.00 | n/a |
| Salem, Oregon | \$0.85 | \$0.77 | \$1.70 | \$22.00 | \$264.00 (annual) |
| Bellingham, Washington | \$0.50 | n/a | n/a | \$15.00 | \$150.00 |

Data collected through transit district Web site information. Updated 10/05

* Zone system

LANE TRANSIT DISTRICT

**Pricing Summary
2005-2006**

TYPE OF FARE:

Cash Fare

| | Current: | Proposed: |
|----------------|-----------------|------------------|
| Adult | \$1.25 | n/c |
| Youth | \$0.60 | n/c |
| Child | \$0.60 | n/c |
| Reduced | \$0.60 | n/c |
| Senior | \$0.60 | n/c |

Passes

| | | |
|-------------------------------|---------|-----|
| Adult | | |
| 1-Month: | \$35.00 | n/c |
| 3-Month: | \$95.00 | n/c |
| Youth, Senior, Reduced | | |
| 1-Month: | \$17.50 | n/c |
| 3-Month: | \$47.50 | n/c |

Day Pass

| | | |
|-------------------------------|--------|-----|
| Adult | \$2.50 | n/c |
| Youth, Senior, Reduced | \$1.25 | n/c |

Tokens

| | | |
|-----------|--------|-----|
| Full Fare | \$1.00 | n/c |
|-----------|--------|-----|

| | | |
|---------------------|--------|-----|
| Shuttle Fare | \$0.50 | n/c |
|---------------------|--------|-----|

RideSource (Staff Proposal)

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

RideSource (STAC Proposal)

| | | |
|-------------------|---------|-----|
| Regular | \$2.50 | n/c |
| Escort | \$2.50 | n/c |
| Shopper* | \$2.00 | n/c |
| <i>10 Tickets</i> | \$20.00 | n/c |

*Round-trip fare

Sales Outlet Wholesale Discount

| | Current: | Proposed: |
|---------------|-----------------|------------------|
| Passes | Discount | Discount |
| 0-500+ | 5.0% | n/c |
| Tokens | | |
| 0-500+ | 5.0% | n/c |

Special Programs - not covered by ordinance

| | |
|------------------------------------------|-------------------|
| Over 80 Free Pass | Change to over 70 |
| Summer Youth Pass - June/July/Aug | \$35.00 |

Group Pass

| | | |
|---------------------------|----------------------|-------|
| Current quarterly rates: | \$10.11 taxpayer | +2.9% |
| | \$11.79 non-taxpayer | |
| Proposed quarterly rates: | \$10.41 taxpayer | |
| | \$12.12 non-taxpayer | |

Fare Media Relationships

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

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

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

Sorted by Cash Prices

| | Adult Cash Fare | Token or Multi-Ride Card/Tickets | Daily Pass | Adult Monthly Pass | Adult Multi-Month Pass |
|------------------------------|-----------------|----------------------------------|---------------|--------------------|------------------------|
| Tri-Met | 1.80* | \$1.80 | \$3.75 | \$66.00 | \$726.00 (annual) |
| Reno, Nevada | \$1.65 | \$1.50 | \$4.00 | \$62.00 | n/a |
| Santa Cruz, California | \$1.50 | n/a | \$4.50 | \$50.00 | n/a |
| Colorado Springs, Colorado | \$1.25 | n/a | n/a | \$35.00 | n/a |
| Vancouver, Washington | \$1.25 | \$1.25 | \$3.00 | \$44.00 | \$484 (annual) |
| Lane Transit District | \$1.25 | \$1.00 | \$2.50 | \$35.00 | \$95 (3 month) |
| Fort Collins, Colorado | \$1.25 | \$0.90 | n/a | \$25.00 | n/a |
| Livermore, California | \$1.25 | \$0.85 | n/a | \$60.00 | n/a |
| Average | \$1.10 | | | | |
| Ann Arbor, Michigan | \$1.00 | \$1.00 | n/a | \$37.50 | n/a |
| Salem, Oregon | \$0.85 | \$0.77 | \$1.70 | \$22.00 | \$264.00 (annual) |
| Olympia, Washington | \$0.75 | \$0.75 | \$1.50 | \$25.00 | n/a |
| Bakersfield, California | \$0.75 | \$0.75 | \$1.75 | \$25.00 | n/a |
| Bellingham, Washington | \$0.50 | n/a | n/a | \$15.00 | \$150.00 |

Data collected through transit district Web site information. Updated 10/05

* Zone system

Projected Revenues Based on 2002/2003 Fare Changes

| | Annual Sales | Current Price | Revenue | Projected Sales | Proposed Price | Projected Revenue | Difference |
|----------------------|--------------|---------------|-------------|-----------------|----------------|-------------------|------------|
| Adult Monthly | 24982 | \$35 | \$874,370 | 24482 | \$37 | \$905,847 | \$31,477 |
| Youth Monthly | 15076 | \$17.50 | \$263,830 | 14774 | \$18.50 | \$273,328 | \$9,498 |
| Reduced Fare Monthly | 6463 | \$17.50 | \$113,103 | 6334 | \$18.50 | \$117,174 | \$4,072 |
| Senior/Child Monthly | 1836 | \$17.50 | \$32,130 | 1799 | \$18.50 | \$33,287 | \$1,157 |
| | | | | | | | |
| Adult 3 Month | 1157 | \$95 | \$109,915 | 1157 | \$95 | \$109,915 | \$0 |
| Youth 3 Month | 2044 | \$47.50 | \$97,090 | 2248 | \$47.50 | \$106,799 | \$9,709 |
| Reduced Fare 3 Month | 1337 | \$47.50 | \$63,508 | 1471 | \$47.50 | \$69,858 | \$6,351 |
| Senior/Child 3 Month | 413 | \$47.50 | \$19,618 | 413 | \$47.50 | \$19,618 | \$0 |
| | | | | | | | |
| Tokens | 233093 | \$1.00 | \$233,093 | 233093 | \$1.25 | \$291,366 | \$58,273 |
| | | | | | | | |
| UO Group Pass | | | \$583,000 | | | \$687,000 | \$104,000 |
| Other Group Pass | | | \$902,000 | | | \$929,060 | \$27,060 |
| | | | | | | | |
| Cash and Day Pass | | | \$1,381,000 | | 1.25/\$3.00 | \$1,519,100 | \$138,100 |
| | | | | | | | |

LTD Pricing History

| Year | Consumer Price Index | | Adult Cash Price | | Adult Token Price | | Adult Pass Price | |
|------------------------------|----------------------|---------------------|------------------|----------------|-------------------|----------------|------------------|----------------|
| | Yearly Increase | Cumulative Increase | Actual Price | Percent Change | Actual Price | Percent Change | Actual Price | Percent Change |
| 1981-82 | 0.00 | 0.00 | \$0.50 | 0.00 | \$0.40 | 0.00 | \$18.00 | 0.00 |
| 1982-83 | -0.62% | -0.62% | \$0.55 | 10.00% | \$0.45 | 12.50% | \$20.00 | 11.11% |
| 1983-84 | 2.97% | 2.34% | \$0.55 | 0.00% | \$0.50 | 11.11% | \$20.00 | 0.00% |
| 1984-85 | 3.59% | 5.93% | \$0.55 | 0.00% | \$0.50 | 0.00% | \$20.00 | 0.00% |
| 1985-86 | 3.53% | 9.47% | \$0.60 | 9.09% | \$0.50 | 0.00% | \$20.00 | 0.00% |
| 1986-87 | 0.32% | 9.78% | \$0.60 | 0.00% | \$0.50 | 0.00% | \$20.00 | 0.00% |
| 1987-88 | 2.52% | 12.30% | \$0.65 | 8.33% | \$0.50 | 0.00% | \$20.00 | 0.00% |
| 1988-89 | 3.69% | 15.99% | \$0.65 | 0.00% | \$0.55 | 10.00% | \$20.00 | 0.00% |
| 1989-90 | 3.61% | 19.60% | \$0.65 | 0.00% | \$0.55 | 0.00% | \$21.00 | 5.00% |
| 1990-91 | 4.58% | 24.18% | \$0.65 | 0.00% | \$0.55 | 0.00% | \$21.00 | 0.00% |
| 1991-92 | 6.26% | 30.44% | \$0.75 | 15.38% | \$0.55 | 0.00% | \$21.00 | 0.00% |
| 1992-93 | 4.58% | 35.02% | \$0.75 | 0.00% | \$0.65 | 18.18% | \$22.00 | 4.76% |
| 1993-94 | 3.42% | 38.44% | \$0.75 | 0.00% | \$0.65 | 0.00% | \$23.00 | 4.55% |
| 1994-95 | 2.88% | 41.32% | \$0.80 | 6.67% | \$0.65 | 0.00% | \$23.00 | 0.00% |
| 1995-96 | 3.24% | 44.56% | \$0.80 | 0.00% | \$0.65 | 0.00% | \$24.00 | 4.35% |
| 1996-97 | 3.09% | 47.65% | \$0.80 | 0.00% | \$0.65 | 0.00% | \$26.00 | 8.33% |
| 1997-98 | 1.72% | 49.37% | \$1.00 | 25.00% | \$0.65 | 0.00% | \$26.00 | 0.00% |
| 1998-99 | 1.89% | 51.26% | \$1.00 | 0.00% | \$0.75 | 15.38% | \$26.00 | 0.00% |
| 1999-2000 | 3.40% | 54.66% | \$1.00 | 0.00% | \$0.75 | 0.00% | \$28.00 | 7.69% |
| 2000-01 | 2.70% | 57.36% | \$1.00 | 0.00% | \$0.85 | 13.33% | \$28.00 | 0.00% |
| 2001-02 | 1.30% | 58.66% | \$1.25 | 25.00% | \$0.85 | 0.00% | \$28.00 | 0.00% |
| 2002-03 | 1.40% | 60.06% | \$1.25 | 0.00% | \$1.00 | 17.65% | \$35.00 | 25.00% |
| 2003-04 | 2.00% | 62.06% | \$1.25 | 0.00% | \$1.00 | 0.00% | \$35.00 | 0.00% |
| 2004-05 | 2.50% | 64.56% | \$1.25 | 0.00% | \$1.00 | 0.00% | \$35.00 | 0.00% |
| 2005-06 | 3.00% | 67.56% | \$1.25 | 0.00% | \$1.00 | 0.00% | \$35.00 | 0.00% |
| Total % Change | | | | | | | | |
| Since 1981-82 ---> | | 67.6% | | 99.5% | | 98.2% | | 70.8% |
| 2006-07 | 3.00% | 70.56% | \$1.25 | 0.00% | \$1.10 | 10.00% | \$35.00 | 0.00% |
| 2007-08 | 3.00% | 73.56% | \$1.25 | 0.00% | \$1.10 | 0.00% | \$38.00 | 8.60% |
| 2008-09 | 3.00% | 76.56% | \$1.35 | 8.00% | \$1.10 | 0.00% | \$38.00 | 0.00% |
| | | 76.56% | | 107.48% | | 108.16% | | 79.39% |

RideSource Fare History:

| | Sept. 1999 | Sept. 2000 | July 2001 | FY02 Adopted |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| RideSource <i>(cash)</i> | \$1.50 one-way | \$1.75 one-way | \$2.00 one-way | \$2.50 one-way |
| RideSource Ticket Books | 10 tickets @\$14 | 10 tickets @\$15 | 10 tickets @\$15 | 10 tickets @\$20 |
| RideSource Escort | \$1.50 one-way | \$1.75 one-way | \$2.00 one-way | \$2.50 one-way |
| RideSource Shopper | \$1.75 round-trip | \$2.00 round-trip | \$2.00 round-trip | \$2.00 round-trip |

AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 18, 2005
- ITEM TITLE:** WORK SESSION: 2006 ANNUAL ROUTE REVIEW
- PREPARED BY:** Stefano Viggiano, Director of Development Services
- ACTION REQUESTED:** None. Information only.
- BACKGROUND:** Every year staff consider changes to bus service as part of a process known as the Annual Route Review (ARR). The changes can include service additions or deletions, or adjustments or redesign of current service. The schedule for the 2006 ARR is as follows:
- January 18, 2006: Preliminary discussion with the Board of possible ARR service changes
 - January 25 2006: Board Service Planning and Marketing Committee meets to discuss possible service changes
 - February 13, 2006: Staff presentation on possible ARR service changes, to be followed by a public hearing on the possible changes
 - February 28 2006: Board Service Planning and Marketing Committee meets to discuss proposed ARR service changes.
 - March 13, 2006: Staff presentation on proposed ARR service changes, followed by a public hearing on the proposed changes
 - March 15, 2006: Board decision on ARR service changes
 - September 17, 2006: ARR service changes implemented
- Attached is a list of service changes under consideration for the 2006 ARR. This is a preliminary list and subject to modification as part of ongoing discussion, evaluation, and public comment. Also attached is a list of service deletions made since 2002 and their prioritization as items for consideration of reinsertion into the service package. Board reaction and comment on the possible service changes is encouraged. Note that the process this year will include at least two meetings with the newly formed Board Service Planning and Marketing Committee.
- ATTACHMENT:** List of Possible 2006 ARR Service Changes
Service Deletions Since 2002
- PROPOSED MOTION:** None

FALL 06 (& EmX BID) List of Possible Service Changes

| ROUTE | ACTION | COMMENT |
|-------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Breeze | reroute | UO to new federal courthouse? use route 28 routing on Patterson outbound to UO? |
| 01 | reroute | commuter hour deviations to federal courthouse? |
| 03x | reroute | express from UO to Coburg Road, leave from Eugene Station South to Hilyard & 12th vs. 12th & Alder? |
| 07x | frequency | timing of trips (add 0630 outbound & 1607 inbound to accommodate OML lab folks?) |
| 11 | reroute & frequency | Springfield Station to Thurston -- 15 or 20 min. on weekdays/Saturdays |
| 22 | Eliminate | trips; becomes 422 school tripper |
| 24 | reroute | start current p.m. extra trip at 40th & Donald versus 29th & Willamette |
| 28 | reroute | begin & end at UO on weekdays -- run only outbound from Eugene Sta with selected inbound trips |
| | frequency | Add back 4 mid-day trips |
| 30 | frequency | Add back 4 mid-day trips |
| 32 | Eliminate | combine with route 93 timing? Capacity? |
| 40 | reroute | serve Petersen Barn via Berntzen (if reconstructed) |
| 451 | eliminate | Wednesday exceptions |
| 52 | frequency | Add back four Sunday trips |
| Madison | Eliminate | Wednesday exceptions |
| 73 | reroute transfers reroute | outbound from Eugene Station use 10th to Pearl to 13th? retime A.M. trips to arrive at Amazon Sta. in time for transfers to OB 82 to LCC end at UO, or express to ES if it ended at UO what would bus do on weekend or evenings? |
| 76 | Eliminate | 28th/City View loop (year round) Change departures to UO 13th - No riders use 76 from Hly/12 Change 12:05 departure to 12:20? Reduce service if Westmoreland is closed |
| 79 | | full service on 13th instead of drop-off only |
| 81 | reroute | end weekday evening/weekend trips at UO? |
| 91 | | allows stops at Franklin/Agate and 11th/Kincaid |
| 93 | reroute | New routing eliminate loop around lake, use Hunter and Perkins clockwise AM and counterclockwise PM Add additional trip; Add route 32 routing to 1st and Pearl Buck, eliminate route 32? |
| 98 | | allows stops at Franklin/Agate and 11th/Kincaid Add additional trip(s) -- afternoon & early evening |
| EmX | frequency | 10 or 12 minute weekdays, 15 or 20 min. Saturdays Matching arrivals and departures with other ES/SS routes Avoiding vehicle conflicts at choke points In Hastus create places and place capacities |
| Eugene Sta. | Bays | Departure bay changes to accommodate EmX reconfiguration Route departure time changes: 64 a.m., 67 p.m. and 92 Routing changes using Olive on OB: 51, 52, 60, 64, and 66 |
| Misc. | frequency | add 1900 departures on Saturday & routes 43/66 on weekdays |
| Misc. | timing | research any other route timing problems which arise |

Annual Route Review 2006 -- Service Deletions since 2002

| Route | Description | Priority | Comments |
|-------------------------|------------------------------------------------------------------------|----------|----------|
| <i>Deletions</i> | | | |
| 00 | Reduce Breeze frequency to 30 minutes on weeknights & Saturday | focus | |
| 00 | Reduce Breeze frequency to 15 min. (WK) | focus | |
| 00 | Eliminate Saturday service | focus | |
| 08x | Shorten route (eliminate east UO campus) | 0 | |
| 11 | Reduce to 15 min. frequency (WK) | focus | |
| 27 | Eliminate route on Sundays | L | |
| 33 | Eliminate route on Sundays | L | |
| 36 | Drop connection to UO | 0 | |
| 42 | Eliminate route | 0 | |
| 426 | Eliminate south Willamette portion | 0 | |
| 52 | Eliminate four trips on Sunday | M | |
| 55 | Reduce Saturday service | 0 | |
| 60/62 | Combine routes 60 & 62 | 0 | |
| 60 | Reduce service | L | |
| 62 | Eliminate route on Saturday & Sunday | 0 | |
| 64 | Shorten route | L | |
| 64 | Reduce mid-day frequency | 0 | |
| 65 | Eliminate route | L | |
| 65s | Eliminate route | L | |
| 66 | Eliminate 1900 trip | M | |
| 68 | Eliminate route | 0 | |
| 77 | Eliminate route | 0 | |
| 79/79x | Reconfigure to reduce service (esp. summer) | M | |
| 79x | Eliminate extra round trip between 0900-0930 | 0 | |
| 82 | Eliminate trips due to artic use | 0 | |
| 96 | Consolidate two midday trips | 0 | |
| misc. | Eliminate 20:20 SU Eugene Sta. departures | L | |
| misc. | Eliminate 23:40 SA Eugene Sta. departures | M | |
| misc. | Eliminate 23:40 WK Eugene Sta. departures | H | |
| misc. | Reduce mid-day (routes: 25,28,30,33) | M - H | |
| misc. | Eliminate evening combinations for off-peak 12/13/79 & #85 after 19:15 | L | |
| misc. | Reduce service before 0600. Eliminate most 0555 arrivals | M | |

Key 0 = none L = Low M = Medium H = High focus = focus issue



*Lane Transit District
P. O. Box 7070
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*(541) 682-6100
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**CONSENT CALENDAR ITEM:
BUDGET COMMITTEE NOMINATION**

January 18, 2006

The LTD Budget Committee is comprised of the seven Board members and seven community members who are nominated and approved by the Board and serve for three-year terms. The non-Board Budget Committee members must reside within the District's service boundaries, but are not required to live in the same subdistrict as the Board member making the appointment.

Board members Susan Ban, Mike Eyster, and David Gant will be nominating community members to three-year terms, beginning immediately and ending January 1, 2009, to fill Budget Committee terms that expired on January 1, 2006.

Darrel Williams has agreed to be reappointed to the Budget Committee. Mr. Gant's form nominating Mr. Williams is included in the Consent Calendar for approval by the Board at the January 18 Board meeting.



NOMINATION FOR BUDGET COMMITTEE
LANE TRANSIT DISTRICT

BUDGET COMMITTEE APPOINTMENT QUALIFICATIONS: ORS 294.336

Budget Committee: (2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of qualified electors of the municipal corporation appointed by the governing body. . . . (5) the appointive members of the budget committee shall be appointed for terms of three years. The terms shall be so staggered that one-third or approximately one-third of the appointive members' terms ends each year.

Board Member: _____ David Gant _____

Date of Nomination: _____ January 18, 2006 _____

Term of Budget Committee Appointment: _____ January 19, 2006 _____ January 1, 2009 _____
Effective Date Term Expiration Date

Approved by Board: _____
Date

NOMINEE'S NAME: _____ WILLIAMS, DARREL _____

Home Address: _____ 635 South First Street, Cottage Grove, Oregon 97424 _____

Telephone Number: _____ 541-942-5411 _____

Business Address: _____ P.O. Box 629, Cottage Grove, Oregon 97424 _____

Telephone Number: _____ 541-942-5531 _____

PREFERRED MAILING/DELIVERY ADDRESS: _____ P.O. Box 701, Cottage Grove, Oregon 97424 _____

Occupation: _____ Restaurant owner and manager _____

Brief statement of nominee's background that is relevant to budget committee appointment:

_____ Mr. Williams currently is the owner and manager of a local Cottage Grove restaurant. During the period between 1973 and 2000, Mr. Williams served as a member of the City of Cottage Grove Budget Committee, as a Cottage Grove city councilor, and then as mayor of the City of Cottage Grove. Mr. Williams also has served on the LTD Budget Committee since February 2003. _____

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

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 Board Committees and to the Metropolitan Policy Committee (MPC), and, on occasion, 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. Ms. Ban will attend the MPC meeting on January 12, 2006. The meeting will include a discussion of the West Eugene Parkway (WEP) collaborative public involvement process led by the City of Eugene and several amendments to the Metropolitan Transportation Improvement Program (MTIP) that would allow LTD to allocate additional funds toward programs in SAFETEA-LU, including Progressive Corridor Enhancement (PCE) and Alternative Analysis for Pioneer Parkway.
2. **Board Finance Committee:** The Board Finance Committee (Debbie Davis, David Gant, and Dean Kortge) met on January 12, 2006. The fare policy, the pricing plan, the revised Capital Improvements Program (CIP), and a new draft of the revised Long-Range Financial Plan (LRFP) were discussed. The pricing plan will be discussed with the full Board in the January 18 work session. The committee will meet again on February 7 to

continue the discussion of the CIP and LRFP. A revised CIP and LRFP will be forwarded to the full Board for approval prior to the April budget meetings.

3. **Board HR Committee**: The Board HR Committee (Susan Ban, Mike Eyster, and Chair Gerry Gaydos) is scheduled to meet on January 17, 2006, to continue discussion of the executive search process. Committee members will report to the Board at the January 18 meeting.

NO MEETING/NO REPORT

1. **Board Communication and Process Committee**: The first meeting of this *ad hoc* Committee (Mike Eyster, David Gant, and Gerry Gaydos) will be held sometime in January 2006.
2. **Board Service Planning & Marketing Committee**: The Board's Service Planning & Marketing Committee is comprised of Mike Eyster and David Gant, with one position currently vacant. Dave Kleger had been the third member of the committee until his term on the Board ended last month. The committee will meet again on January 25 and February 28 to discuss the Annual Route Review.
3. **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 last met on November 16, 2005. The next meeting is scheduled for January 25, 2006.
4. **EmX Steering Committee**: Board President Gerry Gaydos and Board members Dean Kortge and Debbie Davis are members of LTD's EmX 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. The next meeting is scheduled for March 7, 2006.

PROPOSED MOTION: None

**LTD BOARD OF DIRECTORS
COMMITTEES AND SPECIAL ASSIGNMENTS**
(As of January 10, 2006)

BOARD OFFICERS

(Terms expire 6/30/06)
President – Gerry Gaydos
Vice President – Susan Ban
Secretary – David Gant
Treasurer – (vacant)

**SERVICE PLANNING & MARKETING
COMMITTEE**

Mike Eyster
David Gant
*(vacant)

HUMAN RESOURCES COMMITTEE

Susan Ban
Mike Eyster
*Gerry Gaydos

FINANCE COMMITTEE

Debbie Davis
David Gant
*Dean Kortge

**COMMUNICATION AND PROCESS
COMMITTEE**

(Ad hoc winter-spring 2006)
Mike Eyster
*David Gant
Gerry Gaydos

**EmX STEERING COMMITTEE – BOARD
REPRESENTATIVES**

Debbie Davis
Gerry Gaydos
Dean Kortge

**METROPOLITAN POLICY COMMITTEE
(MPC) REPRESENTATIVES**

Susan Ban
Gerry Gaydos
Alternate: (vacant)

REGION 2050 ADVISORY COMMITTEE

Susan Ban
Alternate: Mike Eyster

* denotes Committee Chair

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

Friday, December 2, 2005

The Board of Directors of the Lane Transit District held a special meeting on Friday, December 2, 2005, beginning at 11 a.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Gerry Gaydos, President, presiding
Susan Ban, Vice President
Debbie Davis
Mike Eyster
David Gant, Secretary
Dave Kleger, Treasurer
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Roger Saydack, Counsel

Absent: Dean Kortge

CALL TO ORDER – Mr. Gaydos called the meeting to order.

ROLL CALL – Jo Sullivan called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Gaydos stated that there was a Board HR Committee meeting just prior to the Board meeting and General Manager Ken Hamm had submitted a letter of resignation, which the Board members had before them. He asked the Board to take some time to review that letter and then discuss it.

(Quiet while letter is read by each.)

Mr. Gaydos stated that it was the Board HR Committee's recommendation that the Board accept the resignation subject to the conditions described in Mr. Hamm's letter, and that they authorize the Board president to sign a severance agreement consistent with the terms in the letter. He asked District Counsel Roger Saydack to discuss with the Board what those conditions might mean and what acceptance subject to that would mean.

Mr. Saydack explained that at Mr. Gaydos' direction his firm had had some negotiations and discussions with Mr. Hamm's legal counsel during the past week or ten days, around the conditions of a possible resignation, and the list in Mr. Hamm's letter had evolved from those discussions. He said that if the Board chose to accept the resignation on those terms, the attorneys then would begin the preparation of a severance agreement that would incorporate the terms, and the Board's resolution would authorize Mr. Gaydos as Board president to execute a severance agreement that was consistent with those terms. Mr. Saydack offered to answer any questions that the Board might have. He then stated that the terms in Mr. Hamm's letter closely

paralleled the terms in his employment agreement for a termination of his employment contract without cause on the District's initiative.

Mr. Kleger asked Mr. Saydack if there was anything about the proposed agreement, or in the framework of the agreement, that would be outside the range of executive severance agreements. Mr. Saydack replied that there was not, given the employment contract and the provision regarding severance pay within it, and the fact that this was an offer of resignation that would include an appropriate mutual release and would resolve the termination of Mr. Hamm's employment in a cooperative manner. He said that he thought they were reasonable and realistic terms for a severance package.

Mr. Gaydos again stated the terms of the motion. He explained that the Board would need to accept the letter of resignation subject to the conditions described in the letter of December 2, 2005, from Ken Hamm, and then authorize the Board president to sign a severance agreement consistent with the terms and conditions of that letter. He asked if there was a motion to that effect.

MOTION Mr. Eyster moved approval of the above, as stated by Mr. Gaydos (that the Board accept the letter of resignation subject to the conditions described in the letter of December 2, 2005, from Ken Hamm, and then authorize the Board president to sign a severance agreement consistent with the terms and conditions of that letter). Ms. Ban seconded the motion.

Mr. Gaydos asked for discussion on the motion. Mr. Kleger said that he was not thrilled about this development. He said that he was not going to try to chain Mr. Hamm to his desk, but, on the other hand, he did not think LTD was going to gain a great deal from the change, certainly not for much more than a few months. He said that the issues that had been sources of distress were not, in most part, under the control of anybody at LTD; they were coming in from outside sources, and they were not going to stop impacting upon LTD. On the other hand, he said, there had been enough personality identification with the issues that even beginning to look at them in a more sensible way was proving to be difficult, if not impossible, and Mr. Hamm's offer opened a door for a limited period of time. Mr. Kleger cautioned his colleagues that since he was not going to be around much longer, they all were going to have the job of dealing with that opening as quickly as possible in an environment that did not respond well to 'quick.' The whole industry did not respond well to 'quick,' he said, and, as they knew, this had been one of his issues in operational terms and organizational ones, as well. Mr. Kleger said that he would support the motion, but he wanted to be on record that he did not really think this was going to be any magic fix of very much of anything.

VOTE Mr. Gaydos asked for any other discussion on the motion. Hearing none, he asked Ms. Sullivan for a roll call vote. The motion was approved as follows:

AYES: Ban, Davis, Eyster, Gant, Gaydos, Kleger (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Kortge (1)

Mr. Gaydos asked once again if anyone else had any comments. Hearing none, he said that he would make a brief statement.

Mr. Gaydos said that he agreed with Mr. Kleger, that it certainly was not a silver bullet and it was a sad time for the District and the community. He stated that Mr. Hamm's tenure at LTD was marked by substantial accomplishments, listed in his letter, and some that were not listed. Most notable among them, he said, were the new transit station in Springfield, the launch of the EmX bus rapid transit system, and progressive corridor enhancements that would enhance LTD's ability to serve the growing communities well into the future. Less obvious than those bricks and mortar, but of equal importance, he said, was Mr. Hamm's success in building and strengthening partnerships with key groups, organizations, and individuals in the local community, the state, and the region. Specifically, he said, Mr. Hamm's work with the City of Springfield, the Oregon Department of Transportation, Lane County, and Peace Health, had led to an agreement to expand Phase Two of the EmX along Pioneer Parkway; he had substantial relationships and a very strong reputation with people in the Federal Transit Administration and the American Public Transportation Association, and that had put LTD in good stead and had helped LTD be a true leader in the transit industry. Mr. Gaydos said that Mr. Hamm was a change agent within LTD, and in that role he won both praise and criticism. Mr. Hamm had encouraged staff to take risks and become more involved in decision-making. In the past few months, he took steps to improve employee relations and to mend a strained relationship with the Union. Mr. Gaydos said he had no doubt that Mr. Hamm's decision was a difficult one, but Mr. Hamm's honest assessment and the action he was taking that day were truly indicative of his strong character and his appreciation for interests greater than his own. On behalf of the Board, Mr. Gaydos said, he would like to thank Mr. Hamm sincerely for his service to LTD and the community.

Mr. Gaydos also said that with Mr. Hamm's announcement, the Board needed to pause and reflect on its next steps. He stated that no decision had been made about a replacement or an interim manager. He said that the Board did know that it wanted to build on the foundation established by Mr. Hamm and the fine staff and employees of LTD, to, among other things, continue the phase-in of EmX; continue to improve fixed-route service; and implement strategies designed to enhance the work environment at LTD. Mr. Gaydos stated that LTD served the community extremely well, with dedicated, loyal staff; people who had worked at LTD for many years; and new employees who called LTD "the best place to work." He said that LTD had wonderful bus operators, great office and administration leadership staff, and talented people in every field, and that the Board was fully confident that LTD would continue its excellent service to the people of Lane County.

ADJOURNMENT: There were no additional comments. The meeting was adjourned at 11:17 a.m.

Board Secretary

Transcribed by Linda Wood

Q:\Reference\Board Packet\2006\01\Regular Mtg\BDMIN 12-02-05.doc

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, December 21, 2005

Pursuant to notice given to *The Register-Guard* for publication on December 16, 2005, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, December 21, 2005, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

Absent: Susan Ban, Vice President

CALL TO ORDER – Mr. Gaydos called the meeting to order.

ROLL CALL – General Manager Ken Hamm called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Gaydos related that he recently attended a celebration of the Smart Ways to School Program and was impressed by the student speakers and program staff. He said the event was a good recognition of transit's role in the community.

EMPLOYEE OF THE MONTH – Transit Operations Manager Mark Johnson introduced January 2006 Employee of the Month Bus Operator Richard Shrope. He described Mr. Shrope's contributions to the agency as an operator and instructor. He said Mr. Shrope was nominated by an out-of-town passenger who appreciated the extra service he provided.

Mr. Gaydos presented Mr. Shrope with his awards and thanked him for his service. Mr. Shrope expressed his appreciation for the award and for passengers that took the time to give positive feedback.

Mr. Hamm introduced Gaylene Shrope, also an LTD employee, and recognized the Shropes as exceptional employees.

RECOGNITION AND THANK YOU TO DAVE KLEGER – Mr. Gaydos thanked outgoing Board member Dave Kleger for his outstanding commitment to the District and 20 years of work on transit accessibility issues. He said that Mr. Kleger's years of experience and knowledge of

transit had made him a valuable resource for the Board and his presence would be missed. He said that Mr. Kleger would continue to serve on LTD committees and hoped he would also occasionally attend Board meetings.

Mr. Kleger remarked that he had never served on a better Board and commended LTD staff as second to none in its organization and responsiveness to Board direction. He said that LTD was the most practically-minded and mission-driven organization he had ever experienced. He appreciated the opportunity to serve on the Board and looked forward to a continuing relationship with the District.

Mr. Gant remarked that the Board would miss Mr. Kleger's participation and expressed his personal appreciation for Mr. Kleger's kindness.

Mr. Hamm, on behalf of himself and the LTD staff, recognized Mr. Kleger's commitment to those who rode the bus, District employees, and the disabled community, and his passion for doing things right. He thanked Mr. Kleger for his many contributions to the District.

Mr. Kleger indicated his willingness to be available for consultation with Board members when needed.

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

BOARD CALENDARS – Mr. Gaydos recommended that the Board not hold its December 2006 meeting so close to the Christmas holidays.

WORK SESSION

Review of LTD Pension Plan Benefits – Director of Human Resources and Risk Management Mary Neidig, attorney Everett Moreland, and actuary Pete Sturdivan presented a review of pension plan benefits.

Ms. Neidig reminded the Board that it had received an overview of LTD's pension benefits at its October 2005 meeting and discussed a 2 percent cost-of-living adjustment (COLA) for retirees in the administrative plan at its November 2005 meeting and December 2005 work session. She said the presentation would provide a broader context for decisions the Board might make over the next several months as the District moved toward final budget decisions. She said the presentation would address the following areas:

- Current pension issues and trends in general
- Key policy issues for the budget process
- Pension funding strategies at the policy level

Ms. Neidig stated that the work session was for discussion purposes and no Board decision was required, but she hoped the Board would provide direction to staff on how to proceed in order to assist the Board with its decision-making.

Mr. Moreland said that Congress had changed funding rules for private pension plans because the Pension Benefit Guarantee Corporation (PBGC) insured those plans and Congress was

concerned that corporations were dumping underfunded plans on PBGC. He said that public plans such as LTD's could not be dumped on the PBGC and public entities could not eliminate public plans or reduce benefits for current employees, which necessitated different funding strategies for public and private plans; public plans could be funded over a period of years so the burden to taxpayers was spread over a long time, while Congress required private plans to be funded now.

Mr. Sturdivan emphasized the difference between private and public funding strategies and said his remarks were specific to defined benefit plans that provided a promised benefit monthly for life when an individual retired. He said that the Government Accounting Standards Board (GASB) governed disclosure requirements for public plans such as LTD's, and pointed out that plan sponsors generally had taxing/rate authority to generate revenue to pay for the plans.

Mr. Gant noted Congressional concern about placing the burden for underfunded private plans on the taxpayers through the PBGC and said that the same situation could occur with underfunded public pension plans, such as the Public Employees Retirement System (PERS), when a legislature was forced to commit larger amounts of the State's budget to funding that plan. Mr. Sturdivan agreed that any improperly funded plan could become a burden to taxpayers and the question was what was improper funding. Mr. Moreland commented that underfunding was a matter of perspective. He pointed out that the City of Portland's plan was funded in a way that raised funds as needed through taxes while the LTD plan was funded years ahead with millions of dollars available to pay future benefits.

Mr. Sturdivan said that federal legislation was anticipated that would bring about substantial changes to retiree medical disclosures in public sector plans. He said that funding goals for LTD plans were: (1) level contribution rate as a percent of payroll over generations of taxpayers for the salaried plan; and (2) ultimate level hourly contribution rate per hour, graded over three years, for the ATU plan. He said the annual recommended contribution was determined by taking the annual cost of benefits earned by the active members for the year plus administrative expenses and amortizing the unfunded actuarial liability over 20 years. He said the plans used a rolling amortization that basically refinanced the unfunded liability every other year and that was one of the policies the Board could consider in its decision-making process.

Mr. Kortge commented that it would be more difficult to estimate projected benefits for salaried employees because benefits were based on a percentage of salary and asked how that was factored in. Mr. Sturdivan said that estimates were based on the assumption that an individual would have a 5 percent annual increase over his or her career.

Continuing, Mr. Sturdivan described the smoothed value assets methodology used to determine the unfunded actuarial liability and annual payment. He said that LTD used a three-year asset smoothing approach, plus 20-year funding for both plans. He reviewed investment performance over a ten-year period and said while there were double digit returns in the 1990s, returns were either negative or very low from 2000 to 2003. He said a new investment consultant for both plans recently was hired.

Mr. Gant asked if the plans had a mechanism that would alert administrators when the relationship of the market value of assets to the benefits to be paid reached a critical point that could not be exceeded. Mr. Sturdivan replied that there was no mechanism in public sector

plans but one did exist in the private sector for multi-employer plans and the concept was that action had to be taken if the plan was less than 65 percent funded.

Mr. Gant felt that it was even more important to have an alarm mechanism for public pensions so that remedies were not postponed on the assumption that tax revenue could be generated without considering the future budget impacts. Mr. Moreland replied that public entities had few remedies over the short term because future benefits could not be reduced for current employees and past benefits could not be reduced; immediate significant action involved either raising taxes or cutting operating budgets. He said the best options for public entities were long-term remedies.

Mr. Gant reiterated his concern that the Board carefully evaluate the assumptions and assure that the funds did not reach a "tipping point" and get into serious trouble. Mr. Hamm said that trustees for both plans over the last two years were concerned with trends and had been looking at the impacts of the market, investment management performance comparisons to industry standards, and other strategies. He said that the new investment strategy as a result of the change in investment consultants was somewhat riskier but trustees were confident that over a reasonable period of time the unfunded liability would be reduced.

Mr. Gant cautioned that jumping from a fund that was not performing to one that was did not guarantee better results and actively managed funds statistically did not do better than funds that were not actively managed. He urged the Board to closely review assumptions related to constant rate of return over a long period of time. Mr. Hamm said that trustees had examined performance over a ten-year period and difficult economic times, and LTD's previous investment management firm's performance was below that of the new management firm's by several percentage points.

Mr. Gant remarked that past performance was no guarantee of future performance. Mr. Gaydos replied that the previous management firm had lost some key personnel, which, in addition to poorer performance, caused the trustees concern. He said that the trustees appreciated Mr. Gant's comments. Mr. Sturdivan said that the new consultant would provide discipline in terms of asset allocation and search out the best funds.

Mr. Sturdivan said there had been a decrease in the funded status of plans, with the salaried plan at 78 percent as of June 30, 2005, and the ATU plan at 59.5 percent as of December 31, 2003. He said the funded status was affected by negative investment returns and improved benefits through collective bargaining in 2000; both plans were in the lower third of public plans funding status. He reviewed the recommended contribution rates for both plans. He summarized the presentation points as follows:

- Fundamental differences existed between public and private sector pension plans
- The funded status for both of LTD's plans are in the bottom one-third of a survey of state systems
- Current funding policy focused on maintaining level contribution rates over time
- Investment return assumption reflected long-term expectations based on the plan's asset allocation

Mr. Sturdivan said that retirement program policy considerations included funding policy: level contributions over generations of taxpayers v. paying off the unfunded balance over a period of time.

In response to a question from Mr. Kortge, Mr. Sturdivan said that the goal was to reach 100 percent funding when benefits came due, but in the context of a public sector employer and taxpayers the time period was much longer.

Mr. Gant asked if there was a point at which the funded status of a plan became a problem and whether any plans established a level that the funding percentage could not drop below. Mr. Sturdivan said that had not been an issue in the public sector.

Mr. Gant stated his concern that not establishing an "alarm" point made it easy to postpone difficult decisions by assuming that the organization would always be able to pay the benefits, although that could have a negative impact on services. Mr. Sturdivan said that if the assumptions were set appropriately and the organization was disciplined in making the annual required contribution, then the organization should be able to pay off the funded balance and pay benefits.

Mr. Gant asked how much LTD would be required to pay in the future and what the budget impact would be.

Mr. Gaydos reminded Mr. Gant of the early discussion about the difficulty of precisely predicting future liabilities which was why it was necessary to make assumptions and be disciplined about contributions and fund oversight.

Mr. Kortge pointed out that LTD had always made the required contributions and organizations encountered problems when contributions were not made because the funds were used for other purposes.

Mr. Gaydos commented that the funded status of plans was based on assumptions, making it very difficult to establish a funding threshold.

Mr. Sturdivan said that the funded status figure was a tool to measure the health of the fund and its ability to pay benefits, but that was only one factor. He said there were two revenue sources: the assets on hand and the ability of the employer to pay future contribution requirements. He said a part of the funding question was whether the assets plus anticipated revenues from the employer would be able to pay all of the benefits promised. He added that a period of time during which investments did poorly might require an increased contribution from the employer.

Mr. Gaydos stated that there were many factors to be considered in plan management and trustees needed to rely on the advice of professionals.

Mr. Kleger suggested that LTD should increase its current contributions as a way to protect against or mitigate future poor investment performance and fulfill obligations without having to drastically cut services.

Mr. Gaydos said that 100 percent funding would never be achieved regardless of the amount of LTD's contribution, because full funding at any point was based on a snapshot of benefits and assumptions.

Mr. Moreland stated that there were two separate questions to be addressed by the Board:

- Under current assumptions, funding was behind – how should that be addressed?
- What should be done to avoid increasing the funding gap in the future?

Mr. Gant emphasized the importance of requiring advisers to tell the Board if budget cuts would be required to address either question.

Mr. Hamm said that staff preferred that the Board examine all budgetary issues before deciding where to make cuts.

Mr. Sturdivan confirmed the Board's interest in stabilizing and paying off the unfunded balance as one of the primary components of its funding strategy.

AUDIENCE PARTICIPATION – There was no one wishing to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – Mr. Kleger moved adoption of LTD Board Resolution No. 2005-035: "It is hereby resolved that the Consent Calendar for December 21, 2005, is approved as presented." Mr. Eyster provided the second. The Consent Calendar consisted of the minutes of the November 2, 2005, special Board meeting and November 16, 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

Appointment of LTD ATU Pension Trust and LTD Salaried Employees' Retirement Plan Trustees to Succeed Ken Hamm – Mr. Gaydos explained that Mr. Hamm had submitted his resignation and Mark Pangborn and Mary Neidig were recommended to be appointed as trustees.

Ms. Neidig said that the resolution would appoint different trustees to both the ATU Pension Trust and the Salaried Employees' Retirement Plan. She said that earlier the trustees had received Mr. Hamm's resignation from the trustee position he held on each of the plans and the Board, in order to appoint new trustees, had to accept the resignation in conjunction with making the new appointments.

Mr. Hamm said he had asked Mr. Moreland for advice on how to make the smoothest transition for both plans and the resolution was based on that advice.

MOTION Mr. Eyster moved adoption of LTD Resolution 2005-039: "It is hereby resolved, effective immediately, that Mark Pangborn is appointed as a Trustee under the Trust Agreement updated December 18, 2979, for the Lane Transit District and Amalgamated Transit Union, Local 757 Restated Retirement Plan (which Plan is now known as the Lane Transit District and Amalgamated Transit Union, Local 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. It is also resolved that 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." Mr. Gant provided the second.

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

Fleet Replacement – Director of Fleet Maintenance Sam Marra said that, consistent with discussions at the recent strategic workshop, the Board's approval of Resolution 2005-038 would authorize LTD staff to begin the procurement process for 25 replacement buses.

MOTION Mr. Kleger moved approval of LTD Resolution 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 exceed their design life. Mr. Eyster provided the second.

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

Grant Applications – Director of Finance & Information Technology Diane Hellekson explained that this and the following agenda item would address financing the purchase of replacement buses. She said the capital improvement program would be modified and there would be a supplemental budget in January 2006 to move those appropriations from next year to the current year. She said the grant applications required a public hearing and formal Board approval to proceed with the applications. She remarked that the grant application process leading to the point at which LTD could draw down the funds was a protracted one. She distributed a replacement Agenda Item Summary with corrected information.

Mr. Eyster said it appeared that LTD assumed it would receive the grant funds. Ms. Hellekson replied that LTD knew it would receive the funds as they were appropriated in the federal budget. Government Relations Manager Linda Lynch said that while the funds were authorized, they

were appropriated over a four-year period and LTD would have to apply each year for the funds appropriated in that year.

Public Hearing: Mr. Gaydos opened the public hearing on the grant applications.

Closure of Public Hearing: There being no one wishing to speak, Mr. Gaydos closed the public hearing.

In response to a procedural question from Mr. Gant, Ms. Hellekson said that it was possible the replacement buses would arrive before LTD would be able to draw down the grant funds; LTD could not legally sign a contract to purchase the vehicles unless it could demonstrate the ability to pay for them. She said the next agenda item was a short-term borrowing resolution that would provide a contingency plan in the event LTD needed to pay for the buses before it could access the grant funds.

MOTION Mr. Kleger moved adoption of LTD Resolution 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: FY 2005-2006 Bus Purchase Grant Application - \$7,447,262, and FY2005-2006 CIP Grant Application - \$1,735,758. Mr. Kortge provided the second.

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

Debt Resolution – Ms. Hellekson explained that the debt resolution allowed LTD to borrow money to pay for 25 replacement vehicles in the event that grant funds were not available at the time the buses were received and the borrowed funds were specific to that vehicle purchase. She emphasized there was no certainty that LTD would need to use its borrowing authority but it was necessary to have the resolution in place at the time the District contracted for purchase of the vehicles.

Mr. Gant asked about resolution language that specified the rate was not to exceed 6 percent. Ms. Hellekson said that LTD had chosen that rate and if it could not be obtained the Board would be asked to authorize a different rate.

MOTION Mr. Kortge moved adoption of LTD Resolution 2005-037, authorizing debt financing of up to 25 revenue vehicles in FY 2006-07 (on or before December 31, 2006). Mr. Kleger provided the second.

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

ITEMS FOR INFORMATION AT THIS MEETING

Board Rules and Procedures – Mr. Gaydos introduced District Counsel Roger Saydak to lead a discussion of lobbying protocols. He said Board was considering the issue of what its ability was to lobby on behalf of district interests.

Mr. Saydak noted that a member of the legislature had recently criticized LTD's activities during the past legislative session and that had raised the issue of what type of lobbying the District could and should be doing. He said that virtually every unit of government in the State lobbied the legislature and many lobbied Congress as well for issues of concern and that included transit districts. With respect to the District's legal authority to lobby, he said the enabling statute provided LTD the ability to expend any monies that were within purposes provided by law and the district had the power "...to do all acts or things as may be necessary or convenient for the proper exercise of the powers that are granted to the district." He said that looking for the authority to lobby involved examining the statute and determining what the courts and the attorney general had said about it over the years. He cited a 1973 case involving the Eugene Water & Electric Board (EWEB) in which the EWEB Board was challenged for support the agency provided to a bond campaign it was mounting. He said that the Supreme Court had determined that local governments in Oregon did not have the authority to expend public funds in an effort to influence voters. He said the difference between trying to convince people to vote a particular way in a general election with advertising and going to Salem and expending funds on lobbying efforts to try to convince the legislature to vote a particular way had been examined by a number of courts around the country, although not specifically Oregon in a way that created binding precedent. He said that many states had concluded that if the lobbying effort was an attempt to convince the legislature, that constituted part of the job of government to inform the legislature about the effect of the laws it was contemplating; other states interpreted statutes very strictly and unless statutes explicitly granted the power to lobby that power did not exist.

According to Mr. Saydak, in Oregon there had been a case in 1986 that addressed the question of lobbying by government. He cited the case in which the City of Portland expended funds to try to convince the voters to adopt fluoridation. The court stated that "...local officials may spend public resources to persuade Congress, the state legislature, or another level of government of a policy which many of the officials' own constituents oppose." He observed that many of LTD's constituents had strong feelings about an elected board but the LTD lobbyist made efforts to inform the legislature about the District's position. He said the court also determined that "...lobbying of policy-makers at another level of government differed from government propaganda directed to its own constituency in the respect that no matter how aggressive and effective such lobbying might be as a matter of political reality, in principal those to whom it was addressed were themselves public officials with an independent responsibility to decide on the public interest as they perceive it." He said the essence of the court's determination was that lobbying the legislature was part of citizen responsibility to inform the legislature on matters about which it was making decisions and the legislature could take that advice or not. He said the case was not definitive but many governmental entities naturally assumed the authority to lobby as matter of government free speech and the ability to advocate and inform. Mr. Saydak stated that ultimately the ways in which the District approached the legislature were the decision and responsibility of the Board.

Mr. Gaydos thanked Mr. Saydak for the information and advice. He said the Board was forming a Communication Committee that could address not only communication strategies but also the question of lobbying priorities and activities and make recommendation to the Board.

Mr. Gant agreed that it was important for the Board to define lobbying activities and provide direction to the District's lobbyist. Mr. Saydak said that the farther the lobbying efforts were from the operations and purpose of the District the more difficult they were to justify.

Mr. Gaydos said that he, Mr. Gant, Government Relations Manager Linda Lynch, and anyone else who was interested would develop protocols to propose to the Board for consideration.

Mr. Hamm suggested that the Board annually develop a strategic legislative and Congressional plan to help establish a legislative agenda for the District and direct lobbying efforts.

Mr. Gaydos agreed that the committee could return to the Board with a draft plan.

Mr. Kleger advised Board members that they should not assume that legislators understood District operations, and it was critical for the District to assure that legislators had that information available to them.

Mr. Gant commented that there was a perception that this Board had taken a position on the subject of an elected board. Mr. Gaydos said a discussion of that issue could be added to the list of future action items.

Monthly Financial Report – Ms. Hellekson referred to the written report included in the agenda packet and said it had been another month of only good news. She noted that on December 12, 2005, the price of fuel had dropped to \$1.62 per gallon. She said that fuel costs were budgeted at \$2.10 per gallon and staff continued to monitor costs closely.

Service Planning Issues – Director of Development Services Stefano Viggiano reported that the Service and Marketing Committee of the Board had agreed with the staff's position on four key issues, although one had been somewhat modified. He summarized the four issues and noted that explanatory information was provided in the agenda packet:

- implementation date of the first progressive corridor enhancement (PCE) changed from Fall 2006 to Fall 2007
- four operator bids scheduled in FY 2006-07, including implementation of annual services changes in September 2006 bid and implementation of changes associated with the Franklin EmX start and Thurston changes in December 2006 bid
- accelerated Pioneer Parkway EmX schedule to meet August 2006 New Starts application deadline
- the move of service increases to the RiverBend area from 2010 to 2008-09 to coincide with the opening of the hospital (amendment to the Long-Range Financial Plan)

Mr. Gaydos expressed concern about moving EmX to the end of 2006 as the District was already behind the projected schedule and an operator bid in December 2006 meant that service would not occur until 2007. He felt the District should be clear with the community about when the service would be available and suggested that announcements could indicate late 2006/early 2007 as the target. Mr. Viggiano replied that informational materials for the past year had

identified late 2006 as the target for implementing service. He said that if services were implemented in December that could be a "soft" opening and a grand opening with major publicity could occur in January 2007.

Strategic Plan – Marketing and Communications Director Andy Vobora distributed updated drafts of the *LTD Strategic Plan – 2006* and *LTD Internal Communications Plan*. He said the strategic plan was revised with comments from the Board's strategic planning work session as highlighted in the document. He referred to a memorandum from Mr. Gaydos, included in the agenda packet, that was distributed to all employees and highlighted the District's major priorities as it entered the budget process. He said the communications plan was designed with short-, medium-, and long-term strategies to improve communications, facilitate employee feedback, and encourage employee involvement. He said that staff were compiling the results of the general manager's listening sessions with employees and identifying questions to be answered and areas in which more information should be provided to employees. He said that the same process would be used with issues that were raised during Board members' listening sessions. He asked for feedback from Board members on their listening sessions with employees.

Mr. Kortge stated that he had mixed feelings about the Board's involvement in listening sessions and questioned whether that was the Board's job. He did not want to see Board listening sessions established as a standard practice because he felt that it allowed any group of employees to circumvent the general manager and he was resistant to that happening.

Mr. Gaydos agreed with Mr. Kortge, but was open to suggestions on how that process could be more effective. He said part of the issue was the extent to which the Board was accessible. He noted that attendance at the listening sessions was low and if the Board wished to continue a more productive approach, it was necessary to assure that a wide range of opinions was heard.

Mr. Gant agreed with Mr. Kortge and Mr. Gaydos. He said the Board was accessible, Board members all had e-mail addresses, and meetings were open to the public. He said if the Board took too active a role with employees, the process was vulnerable to small groups with expectations of specific results. He said if employees were sufficiently interested in Board policy and actions, they could attend Board meetings, and that it was not only their right, but also their responsibility to make the Board aware of their concerns. He was not certain that the Board had a responsibility to make itself more available to any one group, including employee groups, than to the public.

Mr. Gaydos noted that employees had indicated problems with accessibility because Board meetings occurred on the same night as union meetings and were always conducted at LTD administrative offices. He said felt the Board had an obligation to examine all of those issues to determine if accessibility could be improved.

Mr. Kortge did not want the Board to be placed in a position where the implication was that it became involved in negotiations. He agreed that perhaps meeting times could be changed to accommodate employees and suggested that employees could participate as members of some of the Board committees.

Mr. Gaydos said it was a question of balance and how accessible the Board wished to be. He reminded members that the original purpose of the Board's listening sessions was to look at the strategic plan.

Mr. Kleger commented that there was precedent for including non-supervisory or non-management employees on Board committees, but cautioned that care should be taken in selecting people who were respected within the particular constituency from whom the Board was seeking input.

Mr. Vobora said that staff supported the idea that communications must ultimately come back through the District's management team, but were open to any suggestions for improving the process.

Mr. Pangborn said that the management team was again meeting regularly with the ATU executive committee; those meetings were suspended during negotiations and had now been reinstated.

Mr. Gaydos emphasized that meetings should not be limited to the union. Mr. Pangborn said the Board should hold the management team accountable for communications and the team was working on ways to improve communications both with employees and the Board.

Mr. Gant asked if employees, both union and non-union, had a perception that the Board was not sufficiently informed about District operations to make effective policy decisions. He observed that District operations were complex and it was a steep learning curve for new Board members and wondered if there were ways to improve the education of Board members about operations and let employees see that was happening. Mr. Vobora said that was consistent with the communications and outreach plan he was developing and there were a number of strategies that the Board could explore. He suggested that the District consult with outside resources to inventory current practices and recommend new approaches. He said in the plan included in the mid-range strategies hiring a consultant to conduct a fuller employee assessment. He said an earlier employee survey had raised concerns about the limited number of people interviewed and a fuller assessment involving more employees could provide better information and inform some longer-range strategies.

Mr. Gaydos encouraged the Board and staff to remain relentless in their pursuit of effective ongoing communications. He left the meeting at 8:10 p.m.

Mr. Vobora said that a continuing difficulty was communicating effectively with operators. Short-term strategies included involving direct supervisors in a new way through distribution of informational materials and response forms.

Mr. Gant said it was important to ask employees how the Board could listen effectively and enlist their help in achieving that.

Mr. Kortge cautioned about conducting another organizational survey as employee feedback had already been obtained.

Mr. Eyster said that timing of another survey was important. He asked how employees were responding to the appointment of Mr. Pangborn as the interim general manager. Ms. Neidig said that ATU had made a commitment to working with Mr. Pangborn as the general manager. She said that there had been mixed reviews and some employees felt that the Board should have appointed an interim general manager from outside of the organization.

Mr. Hamm remarked that there were other employees besides union members and that the administrative employees strongly supported Mr. Pangborn. He noted that union meetings were typically attended by 35 to 40 employees and the opinions expressed by that small group did not necessarily represent all employees. He said that union leadership should be separated in the eyes of the Board and management team from that small group.

Mr. Kleger reported that his feedback from operating personnel indicated that they were quite divided with some agreeing with the Board's appointment of Mr. Pangborn and a few who thought it was the wrong decision. He said most of the employees he spoke with were not supportive of the way in which the return of Phyllis Loobey was proposed.

In response to a question from Mr. Eyster, Mr. Vobora said that Mr. Gaydos had drafted a letter to employees who had signed a petition in support of Ms. Loobey that would address the process for appointing a general manager. Ms. Neidig added that it was her sense from discussions with employees that it was time to let issues settle down and employees were anxious to see the Board discuss issues that were new and fresh and moving in the right direction.

Mr. Pangborn said it was his experience that administrative staff were very supportive, as were most operators, and it was time for the Board to move on.

Mr. Viggiano commented that there was still uncertainty about the extent of employee opinion on certain issues and encouraged an organization-wide survey to more accurately assess the issues and concerns.

Mr. Hamm reported that during his listening sessions with operators his general sense was that most people agreed there were still some issues but they were interested in moving forward.

The meeting adjourned at 8:25 p.m.

Board Secretary

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

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 are included with this packet for Board members.

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: January 18, 2006

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 January 18, 2006:

1. Approval of minutes: December 2, 2005, special Board meeting
2. Approval of minutes: December 21, 2005, regular Board meeting
3. Budget Committee Nomination: Darrel Williams

ATTACHMENTS:

1. Minutes of the December 2, 2005, special Board meeting
2. Minutes of the December 21, 2005, regular Board meeting
3. Form nominating Darrel Williams to new three-year term on LTD Budget Committee

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

LTD Resolution No. 2006-001: It is hereby resolved that the Consent Calendar for January 18, 2006, is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2005

ITEM TITLE: CONNECT OREGON GRANT APPLICATION

PREPARED BY: Stefano Viggiano, Director of Development Services

ACTION REQUESTED: Approve submittal of an application for Connect Oregon funds.

BACKGROUND: Connect Oregon is a funding initiative that was approved by the 2005 State Legislature and is intended to enhance connections between transportation modes with funds for rail, aviation, marine and/or transit projects. A total of \$100 million from the state lottery is available through the program. A total of \$15 million is allocated to each of the five ODOT regions, with another \$25 million available statewide. Road, bicycle, and pedestrian projects are not eligible for Connect Oregon funding because those projects can be funded through the State Highway Trust Fund, while rail, aviation, marine and transit are not eligible for those funds.

Staff propose applying for Connect Oregon funds to help pay for the Pioneer Parkway EmX project. The funds can be used for local match for the project. Since the funds are local (not federal) they can also be used to pay for elements of the project, such as the RiverBend Transit lanes, that are best constructed prior to completion of all the federal requirements.

It is proposed that the Connect Oregon application be for \$7.6 million. This constitutes approximately 20 percent of the Pioneer Parkway project. Applications are due February 17, 2006. A decision by the Oregon Transportation Commission is expected in June 2006.

ATTACHMENT: None

PROPOSED MOTION: I move that the following resolution be approved:

LTD Resolution Number 2006-004: It is hereby resolved that the LTD Board directs staff to submit an application for Connect Oregon funds in the amount of \$7.6 million to be used to help pay for the Pioneer Parkway EmX project.



Lane Transit District
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MONTHLY DEPARTMENT REPORTS

January 18, 2006

GOVERNMENT RELATIONS

Linda Lynch, Government Relations Manager

Plans are underway for this year's "united front" lobbying trip to Washington, D.C., when six local agencies coordinate their federal appropriations requests into a single document and travel together to present their issues to the Oregon Congressional delegation, their staffs, and related committees and administrative agencies. The six partners are the cities of Eugene, Springfield, and Coburg, Springfield School District, Lane Transit District, and Lane County. The outlook for transportation appropriations for Oregon, following such big success in last year's SAFETEA-LU, is not particularly promising. Undaunted, there will be several requests, including \$3.5 million for LTD: \$2 million to replace the radio system and \$1.5 million for preliminary engineering for Pioneer Parkway EmX.

It is expected that Board President Gerry Gaydos and Government Relations Manager Linda Lynch will represent Lane Transit District in Washington during this trip. In addition, Andy Vobora, Director of Marketing and Communications, is a member of Leadership APTA and will attend the APTA Legislative Conference immediately following the lobbying trip. He will also attend a "listening session" sponsored by the Federal Transit Administration on rule-making to implement the "Small Starts" capital project category established in SAFETEA-LU. The 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.

In Salem applications are due mid-February to secure funds from ConnectOregon. Staff are working to secure endorsements for the District's request for \$7.5 million to fund RiverBend transit lanes, a new Gateway Station, and match for Pioneer Parkway EmX federal funds.

DEVELOPMENT SERVICES

Stefano Viggiano, Director of Development Services

EmX PLANNING

Graham Carey, BRT Project Engineer

Pioneer Parkway Corridor: Work on the environmental analysis is proceeding at an accelerated pace. Preliminary Technical Reports for the various disciplines were completed by the end of December. These Technical Reports are currently undergoing an internal review and are being combined to form a single Alternative Analysis / Draft Environmental Impact Statement (DEIS). Staff intend to present the findings of the analysis to the FTA at the end of January to determine whether an Environmental Assessment or an Environmental Impact Statement is the most appropriate means of project documentation.

MLK Parkway: Construction on MLK Parkway slowed somewhat due to the holidays and inclement weather.

Progressive Corridor Enhancement (PCE): Staff continue to explore the use of a portion of property owned by Peace Presbyterian Church as a turnaround for the River Road end of the PCE corridor. Staff discussed with City planning staff some land use and zoning issues relating to the site. City staff are in agreement with LTD's interpretation of the regulations. Staff are to discuss some of the traffic issues with Lane County staff. It appears that some exceptions to County access standards may be required. Other sites remain under consideration.

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 December 22, 2005, the TPC approved some administrative amendments to the Metropolitan Transportation Improvement Program (MTIP), and recommended other amendments for MPC approval. Several of the amendments affect LTD projects.

Walnut Mixed-Use Center: The Walnut Steering Committee last 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 last 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.

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 were held last month to solicit comments on the I-5/Franklin interchange proposals.

SERVICE PLANNING

Will Mueller, Acting Service Planning Manager

- Winter Bid preparation was a key focus of the month as planners finished preparing the materials necessary for Transit Operations to hold the Winter Bid. The bid will be posted on Friday, January 6, for operator review.
- The Annual Route Review (ARR) process for Fall 2006 is in full swing as items discussed at the Service Advisory Committee meeting in November and input received from other operators and customers were assembled and reviewed. Staff also will review the service deletions made in 2002 and 2004 to analyze what items to focus on and analyze for possible re-implementation next fall.
- Staff reviewed on-time performance for the system over the past two calendar years and discovered that the LTD system experienced 91.8 percent on-time performance in 2005, nearly identical to the 91.9 percent performance in 2004. However, the months of September and October of 2005 experienced worse than average performances (89.0 percent & 89.7 percent respectively) largely due to the surge in ridership LTD experienced during those months. On-time performance in November and December climbed to 90.5 percent and 90.9 percent respectively.

COMMUTER SOLUTIONS

Connie B. Williams, Program Manager

- **Program Management**
 - Marcia Maffei was offered and accepted the position of Employer Programs Specialist. She will begin in this capacity beginning February 1.
 - Discussions are underway for the filling of the Rideshare Program Coordinator position (Marcia's prior position).
 - A TOAC Budget Sub-Committee to discuss the FY 06/07 budget for Commuter Solutions met on January 13.

- A Monthly Department Report was provided to the LTD Board of Directors, LTD General Manager, and TPC.
- A Quarterly Grant Report for the period October – December 2005 was provided to LTD Finance for their reporting requirements.
- **Congestion Mitigation Program (CMP)/KeepUsMoving.Info Web Site**
 - A KeepUsMoving.Info/CMP meeting was held on January 27 with local jurisdictions. This was an initial meeting of the group as a review of the KeepUsMoving Web site functions and available Commuter Solution services. Also addressed was the continuing EmX construction, Springfield's MLK roundabout, the Delta Highway Overlay project, and planning for the I-5/Beltline Interchange.
- **Smart Ways to School Program**
Student Transit Pass Program:
 - Small bags containing food and small gift items were given to LTD operators and customer service staff to thank them for serving students in the Student Transit Pass Program. A survey also was provided to solicit feedback from staff to gauge the effectiveness of the program.
 - A cost formula is being developed to seek Oregon Department of Energy Business Energy Tax Credit approval for a continuation of the Student Transit Pass Program into 2006-2007.**General:**
 - Staff are working with KIDSPORTS to develop a pilot project that will help parents form carpools and to transport children to and from sports practices. This will be an effort to address vehicle trips associated with after-school activities.
- **Regional Transportation Planning/Strategies**
Outreach:
 - Staff attended the Good Earth Home & Garden Show that was held at the Lane County Fairgrounds on January 28 and 29.
 - Marcia Maffei attended the Springfield Chambers Awards dinner.
 - Lisa VanWinkle attended LCOG's annual dinner.
 - Connie B. Williams attended the monthly PeaceHealth TDM meeting.**Group Pass/Emergency Ride Home Programs:**
 - FabTrol (26 employees) and Royal Caribbean Cruises Ltd (250 employees) signed up to participate in the Group Pass Program. Both of their programs will begin February 1.
 - Royal Caribbean Cruises Ltd signed up for the Emergency Ride Home program.
 - Staff held a Transportation Fair at Royal Caribbean Cruises Ltd.

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 this month.

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

Franklin Corridor EmX:

Sue Viggiano, EmX communications

Construction update:

The station canopies at Hilyard and Dad's Gate have been erected. The platforms are scheduled for a concrete pour this month. In addition, construction has begun at the McVay Station in Glenwood and work will also begin very soon at the remaining four curb-side stations in Glenwood. Crews are expected to be in this area for two to three months.

Road-widening on the north side of Franklin Blvd at Onyx has begun. The speed at which this work can be done is weather dependent. Lane closures will be in place from 9:00 a.m. to 3:30 p.m. each day that construction is scheduled.

Communication about the start of work on Franklin Blvd included a letter to residents in the Fairmount neighborhood; an article in the Laurel Hill neighborhood newsletter; door hangers to businesses and residents on the north side of Franklin Boulevard; electronic newsletters; a *Register-Guard* road report; and a mailing to Glenwood residents.

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

MEDIA

- Media coverage focused on holiday service programs, employee issues, the general manager resignation, naming of the interim general manager, and EmX.
- There were no paid media placements.

OUTREACH

- The *On the Move* newsletter was mailed in early January. This was sent to a new mailing list, which is comprised of members from every area Chamber of Commerce. This list expands the reach of the newsletter and targets business in a new way.
- Lots of activity occurred along the EmX corridor. Stop-level information is notifying customers of changes to stops and other construction information. Detailed target marketing pieces are going out to audiences along the corridor.
- LTD will have a booth at the Good Earth Home and Garden Show on January 28 and 29. At the “Good To Go” section, Commuter Solutions and LTD staff will be showing off ways people can be more environmentally friendly by using alternatives to the single-occupancy vehicle.

GROUP PASS

- As part of the pricing plan review, staff are polling a number of our larger group pass organizations for feedback on the proposed changes to pricing. This includes billing on a two-year cycle and the use of the consumer price index to calculate price increases.

INTERNAL COMMUNICATIONS

- Board and general manager listening session comments were summarized and distributed to employees. Department directors are discussing the strategic initiatives in staff meetings and asking for employee input. This information will assist departments in developing budgets that address these objectives.
- Discussions about an internal communications audit have led to a proposal by Ulum and Associates. Staff are evaluating the cost and benefits of having the audit conducted by a third party versus having someone assist staff in implementation. The value of the audit will be to provide a good baseline of information about what tools are working and what new tools could be pursued to address the information needs of employees.

ANNUAL PLANNING

- Staff are spending a fair amount of time outlining a week-by-week implementation plan for a number of major projects. EmX leads this list, but also work plans will include outreach for PCE planning in the River Road area and traditional annual route review activities. Watch for more information about the Board’s role as plans for grand opening activities and outreach activities come together. A meeting with LTD’s ad agency staff will occur later this month to outline a multi-year strategy to introduce EmX and move through grand opening to broader promotion of LTD services.

ACCESSIBLE SERVICES

Terry Parker, Accessible Services Manager

The Accessible Services Program had a visit “exchange” this month. Tri-Met Field Operations staff consulted with LTD about *EZ Access* services and automated stop announcements. Terry Parker and IT Manager Steve Parrott toured the Medicaid Brokerage Call Center and Tri-Met LIFT office in Portland and the brokerage in Albany to glean more information about the day-to-day operations of call centers and Medicaid eligibility operations. Terry also has been attending monthly Statewide Brokerage Manager’s Meetings.

Alternative Work Concepts (AWC), LTD’s contractor for Travel Training and Transit Host services, received a training request for a person living in Vida who has a developmental disability. It did not appear that AWC was going to be able to honor the request because of the number of paid training hours needed merely to do the escort travel between Eugene and Vida. Being resourceful, AWC Supervisor Scott Whetham inquired about the possibility of asking a trained Bus Buddy to provide the escorted travel into town. Peter, one of our volunteers, enthusiastically agreed to make the necessary trips. Although not one of the original goals of the Bus Buddies Program, this level of coordination speaks to the "can do" attitude of the AWC staff as well as one of our great Bus Buddy volunteers! Everyone is excited about being able to provide this opportunity.

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.

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

FINANCE

Carol James, Accounting Manager

Three hundred twenty nine (329) vendor checks, totaling \$2,634,302, were processed during the month of December, including two checks totaling \$875,189 to Wildish Building Company for work related to the EmX Franklin Corridor. A check for \$164,500 was issued to MSA VEBA Trust in payment of the 2006 VEBA benefit for ATU employees.

Eighty-four (84) payroll checks and 888 payroll direct deposits totaling \$770,239 were made in December 2005. These numbers reflect two pay dates in December.

Twelve cash fare deposits totaling \$107,324 were made in December 2005.

PURCHASING

Jeanette Bailor, Purchasing Manager

Details have been finalized for the contract to purchase twenty buses from Gillig Corporation. Requests for proposals have gone out for Landscape Service. Evaluation and award is pending for the Marketing Research contract. In December contracts were awarded for Janitorial Services; Transit Station Cleaning Services; Heating, Air Conditioning, and Ventilating Services; and Security Services.

INFORMATION TECHNOLOGY

Steve Parrott, IT Manager

IT staff successfully copied LTD's Web site to an in-house server where this configuration presently is being tested and tuned. Work on this task has gone well and LTD should be positioned for a smooth transition when the current outsourced service provider closes its doors. LTD staff are assisting with a feasibility study for development of a special transportation brokerage call center to serve Lane County. IT staff continue to test equipment installed to improve LTD's radio coverage and radio service capabilities. LTD's RideSource facility will be the first unit to use this new equipment in early January.

HUMAN RESOURCES

Mary Neidig, Human Resources Director

HEALTH CARE

The Joint Insurance Committee heard a proposal from Reliant Behavior Health for a health management program. Under this model employees with chronic conditions would receive personal health coaching to assist in improving their condition. A voluntary health assessment tool would be taken confidentially to identify other employees who might wish to have individual coaching or need assistance in lifestyle changes such as smoking cessation. The Joint Insurance Committee will meet in January to decide whether to purchase this package of benefits.

SELECTION AND HIRING

Maintenance Director Sam Marra has announced his resignation effective January 13. Decisions about how to proceed with selecting a new Maintenance director will be made soon.

Two new classes of six bus operators started December 5 and January 3. All twelve employees seem to be off to a good start.

Additional positions being filled are a service planner, a facilities maintenance person, and a temporary clerical support person for the administrative office.

DIVERSITY

Diversity and accessibility training was completed for all bus operators and many administrative employees during November and December. Each attendee receives a total of four hours of classroom training in this area.

LTD will be co-sponsoring a session on Institutional Privilege training next summer. The City of Springfield will be our partner for this activity. About 80 total seats will be offered to LTD and Springfield employees for this dynamic, awareness-building session.

TRAINING

All managers and supervisor have now been trained on the new Family and Medical Leave Policy. The new policy went into effect January 1.

PENSION ACTIVITIES

Trustees for both pension plans will meet this month for their quarterly meeting. The Board of Directors appointed two new trustees to assist in Ken Hamm's transition. Mark Pangborn will become trustee for the LTD/ATU plan, and Mary Neidig will become trustee for the Salaried Retirement Plan. Both will assume their new roles at the January meeting.

Also at the January meeting Kuhn's and Associates will make their first presentation as the new Fund Manager for both plans. The Trustees will hear recommendations about how to change the investment portfolio in order to increase the likelihood of a higher return on investments.

OTHER ACTIVITIES

The Board's Human Resource Committee will meet to discuss when and how to proceed with the selection of a new general manager.

On the administrative front, an unemployment hearing was held for a terminated employee, resulting in an Employment Department denial of benefits. A workers' compensation hearing was also held this month. The outcome is not yet known.

LOOKING AHEAD

The Human Resources Department has its work cut out for it in the next few months. Two national recruiting and selection processes will keep the staff busy.

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

ITEM TITLE: FEBRUARY 2006 EMPLOYEE OF THE MONTH

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

BACKGROUND: **February 2006 Employee of the Month:** Bus Operator Javier Rodriguez was selected as the February 2006 Employee of the Month. Javier was hired by LTD in July 2001, and has received awards for three years of safe driving. He was nominated for this award by two customers and a co-worker. The customers commended him for how helpful and polite he was. One said that he went the extra mile, in a very kind and polite way, to make room for two wheelchairs so that there was room for everyone, while smiling the whole time. The co-worker said that Javier is happy, giving, and eager to please his fellow co-workers and customers. She described him as a "breath of fresh air," and said that it was a pleasure to have the opportunity to get to know him.

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

Javier has displayed exemplary service to LTD and our customers. A demonstration of this commitment occurred at the beginning of this year's Duck's football event. In his position as Transportation Coordinator, Javier was asked to learn a vital position at Autzen Stadium. He took the responsibility and ran with it. His work ethic and sense of pride made him invaluable. Javier showed an ability to remain calm, think quickly, and make correct decisions in pressured moments while boarding thousands of Duck fans post-game. His professionalism in this area has set him apart from his peers.

Javier has also gone a step above in his "everyday" work as a bus operator. We have received many positive customer service forms and EOM nominations for his customer service. One of his customers put it best, "He went the extra mile and was very polite, and smiled the whole time." His pride in providing the best service he can everyday is an inspiration.

Our congratulations to Javier on his selection as the February 2006 Employee of the Month!

AWARD: Javier will attend the January 18, 2006, meeting to be introduced to the Board and receive his award.

Fare Policy

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

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

OBJECTIVES

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

4. To promote equity of fare payment among patrons

5. To promote the most independent, appropriate and cost effective service option for people with disabilities.

APPLICATION

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

GUIDELINES

1. Recommendations for changes in the fare will be developed by LTD staff. LTD Staff will work with the Board Finance Committee to develop a recommendation for review by the LTD Board of Directors. The LTD Board of Directors will change fares through an amendment of the LTD fare ordinance, which requires a series of public hearings. Changes to the RideSource Fare also will include review by the Accessible Transportation Committee.

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

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2. When **considering** changes to the fare, **the Board will consider:**

- The inflation rate
- Ridership and revenue trends
- Local economic trends
- Trends in automobile-related costs such as gas
- Service changes
- **Economic impact on customers**
- Market conditions and opportunities
- The District's financial situation
- The District's goals and objectives

This policy statement lists the most important factors to be considered in making recommendations for changes to the fare structure. The list of factors to be evaluated is not meant to be exclusive; other factors **may** need to be considered from year to year.

3. *Increases to the Group Pass rates will be based on guidelines included in the Group Pass section of this policy.*

4. *The RideSource fare should exceed the fare of the fixed-route system to reflect the higher cost of a RideSource trip and to encourage use of the fixed-route system when possible.*

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

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

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

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

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

Prepayment of fares benefits the District in a number of ways: It improves the cash flow situation; it guarantees ridership and revenue by the customer; it reduces the chance of non-payment or underpayment; and it speeds boarding. Prepayment mechanisms also tend to encourage increased ridership by customers since the cost of the ride is not required at the time the decision to take the ride is made. It is recommended that monthly passes be priced at 25 to 30 times the cash fare, and that tokens be priced at 75 percent to 90 percent of the cash fare. Passes should, on a per-ride basis, be discounted more than tokens, since they are more effective at increasing ridership and are a more efficient fare mechanism from an internal operating standpoint. It should be noted that RideSource does not use passes or tokens since there should not be an incentive to ride RideSource more frequently. However, RideSource provides ticket books for riders at a discount that is reviewed annually to encourage ease of boarding for customers, and to offer a non-cash alternative to riders.

- 7. *Increases to the base fixed-route fare generally should not exceed **10 percent** within a year and changes should be rotated by fare category.*

This policy directs that changes in the fare be incremental in nature to avoid large "catch-up" increases. The District's experience has been that large fare increases (even though occurring less often) have a substantially more negative impact on ridership than smaller, more frequent fare increases. **Additionally, rotating fare increases by fare type allows customers to choose a fare type that is not increasing in cost that year.**

~~LTD will charge the ADA maximum fare of twice the fixed-route adult cash fare for RideSource service. Additional fare increases would occur only when the LTD adult cash fare increases.~~

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

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

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

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

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

Fare promotions have been shown to be a cost-effective method of attracting new users to the system at a very low cost per trip. Surveys indicate that many of those attracted by free

or reduced fares are not regular bus riders. The process to be followed in fare promotions includes an analysis of the proposal, a marketing plan for the promotion, and a post-project evaluation. The extent of the analysis, marketing plan, and evaluation would be based on the scale of the promotion. RideSource fare promotions shall be designed to ~~transition~~ riders to the LTD fixed route and to increase RideSource productivity.

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

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

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

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

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

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

MAINTENANCE

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

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

- REVISED: 4/18/01
3/17/04
4/20/05

Fare Media Donations

OBJECTIVE

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

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APPLICATION

The following guidelines apply to all fare media donations.

PROGRAM GUIDELINES

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

MAINTENANCE

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

Fare Discounts

Private Non-profit Agency Program

OBJECTIVE

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

APPLICATION

This policy applies to any private non-profit (501-3-c and 501-19-c) agencies who wishes to purchase fare media from LTD.

PROGRAM GUIDELINES

Eligibility determination is conducted by Lane Transit District. Agencies wishing to participate may complete the necessary application at LTD Customer Services. Upon successful certification, agency staff may call LTD Customer Services to place a fare media order.

Agencies are eligible for a 50 percent discount toward the purchase of \$300.00 of fare media per month.

MAINTENANCE

The Director of Marketing and Communications is responsible for monitoring and making recommendations for modifications to this policy. A semi-annual report of program use will be produced and forwarded to the LTD General Manager for review.

Wholesale Discounts

OBJECTIVE

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

APPLICATION

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

PROGRAM GUIDELINES

LTD offers a 5 percent discount on the purchase of fare media for private retail sales outlets who purchase fare media for their customers. Monthly passes will be consigned.

MAINTENANCE

The Director of Marketing and Communications is responsible for monitoring and making recommendations for modifications to the wholesale discount program.

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

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GROUP PASS PROGRAM

OBJECTIVES

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

Group pass programs attempt to:

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

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

APPLICATION

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

PROGRAM GUIDELINES

Qualifying Organizations

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

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

Pricing

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

1. A base rate per employee per month will be levied on individuals within the organization. The base rate will be increased **bi-annually**, not to exceed, **the change in consumer price index**. The base rates are:

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

Rates effective January 1, 2002. Current rates are available in annual pricing plan.
2. The cost of additional service that is instituted by the District to directly respond to increased ridership resulting from the group pass program

Term of the Contract

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

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

Operational Issues

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

Marketing

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

MAINTENANCE

The Director of Marketing and Communications is responsible for monitoring and making recommendations for modifications to this program.

EZ Access Half-Fare Program

OBJECTIVE

To provide reduced fares for seniors and people with disabilities in cooperation with the Federal Transit Administration's half-fare requirements.

APPLICATION

This program applies to all qualified individuals who are eligible according to the guidelines contained in the EZ Access program.

PROGRAM GUIDELINES

LTD's EZ Access program provides half-price discounted bus fares to people aged 62 through 69 and to customers with disabilities. People who are 70 years old and older ride free.

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Who qualifies for the half-fare program?

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1. Persons aged 62 and older
2. Medicare cardholders
3. Persons who receive Supplemental Security Income (SSI), *based on disability*, or Social Security Disability (SSD) benefits, as long as they continue to receive these benefits
4. Veterans who are disabled, who receive a determination of at least 50 percent permanent disability or a non-service connected pension as determined through the Veterans Administration
4. People who meet the Federal Transit Administration's (FTA)¹ definition of disabled: *"disabled persons means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary disability, are unable, without special facilities or special planning or design to utilize mass transportation and services as effectively as persons who are not so affected."* See page 4 for special assistance categories.

What do I need to have to show that I qualify?

Eligibility: These following proofs will qualify you for the program:

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1. Medicare card
2. Official verification of age (valid driver's license, passport, State ID card)
3. Letter of Authorization that you receive Supplemental Security Income (SSI) or Social Security Disability (SSD) benefits
4. Letter of Authorization signifying eligibility for participation in programs established specifically for people with disabilities through Lane County Developmental Disabilities

¹ FTA is a department of the United States Department of Transportation

Services, Lane County Mental Health, Senior & Disabled Services, or Vocational Rehabilitation.

5. Verification of eligibility for local Projects for Assistance in Transition from Homelessness (PATH) or Homeless Outreach Projects and Evaluation (HOPE)
6. Verification that you receive benefits from the Veterans Administration at a 50 percent disability level or greater, or receive a disability pension from the VA

Disability Verification: If you do not have of proof of eligibility listed, then you need to verify that your disability requires *special facilities or special planning or design to utilize mass transportation* by completing the section (page 4) of the application.

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MAINTENANCE

The Accessible Services Manager is responsible for monitoring and making recommendations for modifications to the half-fare program.

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AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 18, 2006
- 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 have been scheduled for February 13 and March 13, 2006, in the Bascom/Tykeson Rooms at the Eugene Library. 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 proposed changes to the pricing plan have been scheduled for February 13 and March 13, 2006, with final approval at the March 15, 2006, regular Board meeting.
 - C. **Facilities Overview:** In response to Board discussion at the annual strategic planning work session, an overview of the District's facilities will be presented at a future work session, likely on February 13 following the public hearing on fares and service.
 - D. **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. A review of the Eugene segment of the Franklin EmX will be scheduled for February 13, 2006.

AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 18, 2006
- ITEM TITLE:** APPROVAL OF SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2005-2006
- PREPARED BY:** Diane Hellekson, Director of Finance and Information Technology
- ACTION REQUESTED:**
- Hold a public hearing.
 - Approve the resolution adjusting the FY 2005-2006 General Fund, Commuter Solutions Fund, and Capital Projects Fund budgets as described below.
- BACKGROUND:**
- In order to make up for delayed receipt of anticipated grant proceeds, the Board, at its June 15, 2005, meeting, approved Resolution No. 2005-018 authorizing an interfund loan of up to \$140,000 from the General Fund to the Commuter Solutions Fund. This action was required in compliance with Oregon Budget Law. Similarly, the repayment of this loan now requires supplemental budget action.
- Additionally, the Commuter Solutions Fund has received grants, totaling \$130,000, not originally anticipated in the FY 2005-2006 budget. These funds must be appropriated in the budget process before they can be expended legally.
- Finally, as indicated in the staff report, the purchase of revenue vehicles approved last month by the Board was originally in the Capital Improvements Program (CIP) for next year. As such, supplemental budget action is needed to move the \$9.2 million appropriation to the current fiscal year.
- RESULTS OF RECOMMENDED ACTION:**
- The FY 2005-2006 Adopted Budget will be modified for the noted changes and the annual independent audit of fiscal year 2005-2006 will not note budget anomalies.
- ATTACHMENTS:** LTD Resolution No. 2006-002
- PROPOSED MOTION:** I move approval of Resolution No. 2006-002, which amends the LTD fiscal year 2005-2006 budget as represented in the resolution.

LANE TRANSIT DISTRICT RESOLUTION NO. 2006-002

Be it resolved that appropriations for the FY 2005-2006 budget adopted by the Board of Directors be adjusted as indicated below.

Summary of Supplemental Budget

| | Adopted | Increase (Decrease) | Amended |
|------------------------------------------------------|------------|------------------------|------------|
| General Fund | | | |
| Additional Resources | | | |
| Transfer from Commuter Solutions Fund | - | <u>140,000</u> | 140,000 |
| Increase in Resources - General Fund | | <u>140,000</u> | |
| Commuter Solutions Fund | | | |
| Changes in Appropriations | | | |
| Materials and Services | 531,700 | 130,000 | 661,700 |
| Transfer to General Fund | - | <u>140,000</u> | 140,000 |
| Increase in Appropriations - Commuter Solutions Fund | | <u>550,000</u> | |
| Additional Resources | | | |
| Beginning Working Capital | 20,800 | 140,000 | 160,800 |
| Federal Grants - Surface Transportation Program | 446,200 | <u>130,000</u> | 576,200 |
| Increase in Resources - Commuter Solutions Fund | | <u>270,000</u> | |
| Capital Projects Fund | | | |
| Changes in Appropriations | | | |
| Capital Outlay | 24,531,700 | 9,200,000 | 33,731,700 |
| Capital Reserves | 6,333,160 | <u>(1,752,730)</u> | 4,580,430 |
| Increase in Appropriations - Capital Projects Fund | | <u>7,447,270</u> | |
| Additional Resources | | | |
| Federal Grants - Formula Funds (Section 5307) | 7,022,800 | 5,955,820 | 12,978,620 |
| Federal Grants - Discretionary Funds | 10,284,960 | 686,720 | 10,971,680 |
| Federal Grants - Other Funds | - | <u>804,730</u> | 804,730 |
| Increase in Resources - Capital Projects Fund | | <u>7,447,270</u> | |

Adopted by Lane Transit District Board of Directors on the _____ day of January, 2006.

Date

Board Secretary

The Board of Directors of Lane Transit District will hold a regular monthly meeting on January 18, 2006, at 6:30 p.m. in the Board Room at the LTD Administrative Offices located at 3500 East 17th Avenue, Eugene, Oregon. On the agenda will be approval of the supplemental budget information presented below.

Summary of Supplemental Budget

| | | Increase (Decrease) | |
|---------------------------------------|---|------------------------|---------|
| General Fund | | | |
| Additional Resources | | | |
| Transfer from Commuter Solutions Fund | - | <u>140,000</u> | 140,000 |
| Increase in Resources - General Fund | | <u>140,000</u> | |

Comments:

Repayment of interfund loan authorized by Board of Directors June 15, 2005

| | | Increase (Decrease) | |
|------------------------------------------------------|---------|------------------------|---------|
| Commuter Solutions Fund | | | |
| Changes in Appropriations | | | |
| Materials and Services | 531,700 | 130,000 | 661,700 |
| Transfer to General Fund | - | <u>140,000</u> | 140,000 |
| Increase in Appropriations - Commuter Solutions Fund | | <u>550,000</u> | |
| Additional Resources | | | |
| Beginning Working Capital | 20,800 | 140,000 | 160,800 |
| Federal Grants - Surface Transportation Program | 446,200 | <u>130,000</u> | 576,200 |
| Increase in Resources - Commuter Solutions Fund | | <u>270,000</u> | |

Comments:

Adjustments to Commuter Solutions Fund Materials and Services
 Increase in grant revenue for Surface Transportation Program -- \$130,000
 Repayment of interfund loan authorized by Board of Directors June 15, 2005 -- \$140,000

| | | Increase (Decrease) | |
|----------------------------------------------------|------------|------------------------|------------|
| Capital Projects Fund | | | |
| Changes in Appropriations | | | |
| Capital Outlay | 24,531,700 | 9,200,000 | 33,731,700 |
| Capital Reserves | 6,333,160 | <u>(1,752,730)</u> | 4,580,430 |
| Increase in Appropriations - Capital Projects Fund | | <u>7,447,270</u> | |
| Additional Resources | | | |
| Federal Grants - Formula Funds (Section 5307) | 7,022,800 | 5,955,820 | 12,978,620 |
| Federal Grants - Discretionary Funds | 10,284,960 | 686,720 | 10,971,680 |
| Federal Grants - Other Funds | - | <u>804,730</u> | 804,730 |
| Increase in Resources - Capital Projects Fund | | <u>7,447,270</u> | |

Comments:

Adjustments to Capital Projects Fund Capital Outlay
 Increase in appropriate for revenue vehicle purchase authorized by Board of Directors December 21, 2005.



LTD General Manager's Report to the Board of Directors

January 2006

Prepared by Ken Hamm, General Manager

FUTURE DATES TO REMEMBER

| | |
|-------------------|-----------------------------------------------------------------------------------------------|
| February 13, 2006 | Special LTD Board Meeting/preliminary public hearing on fares and service (at Eugene Library) |
| February 15, 2006 | Regular LTD Board Meeting |
| February 20, 2006 | Presidents' Day – administrative offices closed (regular service) |
| March 13, 2006 | Special LTD Board Meeting/public hearing on fares and service (at Eugene Library) |
| March 15, 2006 | Regular LTD Board Meeting |
| April 10, 2006 | Special LTD Board Meeting/Work Session (tentative) |
| April 19, 2006 | Regular LTD Board Meeting |

EXTERNAL ACTIVITIES

Public Partnerships

In the months of December and January, your GM met with Mike Kelly and Cynthia Pappas, City of Springfield, and Dennis Taylor, City of Eugene. Mike Kelly's retirement bash was attended on January 10. The GM or staff attended the state of the county and both state of the city addresses. P.S. If you haven't visited the new Royal Caribbean facility, you need to schedule it.

SEL

The Springfield Eugene Lane County CEOs continue to meet twice a month to discuss community business. The group met on December 16 and January 6.

Oregon Transit Association

On January 10th your GM attended the OTA meeting in Salem. As chair of the association's strategic plan, this GM's business with OTA will conclude next month with the facilitation of an association strategic meeting.

United Way Celebration

Your GM has been on the board of United Way of Lane County for the past two years plus. He attended the celebration of the 2005-06 campaign on January 11th at the Hilton. LTD had a very successful internal campaign, thanks to Margaret Lead and Steve Rayack.

INTERNAL ACTIVITIES

New Operators

On January 4th your GM gave new bus operators an orientation to LTD and the opportunity they have before them. The focuses are on the District's core values and guiding principles.

Director Resignation

Sam Marra, director of Fleet Maintenance, resigned his position effective January 13. Sam is leaving to assume similar responsibilities for Connex on their Las Vegas contract. Tom Brush, a fleet consultant LTD was already dialoguing with, will help transition that department. Tom started at LTD officially on January 6.

ATU Meeting

Carol Allred and your GM met for lunch and discussion on January 11. Carol is optimistic about the future of LTD and will work energetically to create a positive workplace. Both of us thanked the other for the hard work we had put in these past years together.

Joint Insurance Committee

The JIC met on January 11th to discuss an employee health behavioral assistance program and look at future goals for the JIC. These meetings remain very positive. Wilson Heirgood has done a great job of informing us about health programs and our collective employee performance. The JIC continues to look for programs and resources that help employees achieve better health and happier lives.

Interviews

Your GM will participate during the week of January 17th in interviews for the Service Planning Manager position. You will remember that Paul Zvonkovic left LTD when his wife got a tenured position at Texas A&M University.

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

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: December 2005 Performance Report
November 2005 RideSource Performance Report
January 2006 *Eugene/Springfield Metro Labor Trends*

PROPOSED MOTION: None

LANE TRANSIT DISTRICT RESOLUTION NO 2006-003

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

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

WHEREAS, LTD is in the process of working with local, state, and federal agencies in the planning and construction of Franklin EmX, which will result in a Bus Rapid Transit (BRT) corridor designed to help accommodate the transportation needs of Eugene and Springfield. The first corridor of the proposed EmX system is four miles long and will connect downtown Eugene to downtown Springfield and will include the construction of transit only lanes, transit stations, transit signals, landscaping, bicycle and pedestrian enhancements, and other corridor improvements.

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

WHEREAS, Franklin EmX is planned and will be located in a manner that is most compatible with the greatest public good and the least private injury.

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

WHEREAS, ORS 35.235 requires the Board to declare by resolution the necessity of the acquisition of real property and the purpose for which it is required.

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

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

1. That for the accomplishment of the planned Franklin EmX, there is needed and required certain interests in or fee simple title to certain parcels of real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference (collectively, the “Real Property”
2. That Franklin EmX is necessary for the public interest and has been planned, designed, located, and will be constructed in a manner which will be most

compatible with the greatest public good and the least private injury and is authorized under the rules and ordinances of LTD, the laws of the state of Oregon, and all applicable federal laws.

3. That immediate possession of the Real Property is necessary.
4. That LTD staff and/or its designees are authorized and directed to obtain all necessary appraisals and to make further attempts to agree with the owners of the Real Property and any other persons in interest as to the just compensation to be paid for the Real Property and damages, if any, for the taking thereof, and the LTD's General manager or designee is authorized to make a binding agreement providing such just compensation.
5. That the LTD Board hereby ratifies all offers to purchase all rights, title, and interest in the Real Property that have been previously made in connection with Franklin EmX of the BRT Project.
6. That in the event no satisfactory agreement is reached between the Real Property owners and LTD, LTD, through its legal counsel, is authorized to commence and prosecute to final determination such legal proceedings, including proceedings in eminent domain, as may be necessary to obtain immediate possession of and to acquire the Real Property.
7. That there is hereby authorized the creation of a fund in the amount estimated to be the just compensation for the Real Property which, if necessary, shall be deposited with the clerk of the court in which the eminent domain action is commenced.
8. That the LTD Board declares that the Real Property described in Section 1 above shall be used by LTD for public purposes at the earliest possible date and, in any event, no later than ten (10) years from the date this Resolution No. 2006-001 is adopted by LTD.
9. That the General Manager or designee(s) is authorized to execute any and all necessary documents and to take such other steps on behalf of LTD as necessary to carry out the intent of the Resolution No 2006-001.

Adopted by the Lane Transit District Board of Directors on the 18th day of January, 2006.

Board Secretary

ATTEST:

Recording Secretary

AGENDA ITEM SUMMARY

DATE OF MEETING: January 18, 2006

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

AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 18, 2006
- ITEM TITLE:** ELECTION OF BOARD TREASURER AND COMMITTEE ASSIGNMENTS
- PREPARED BY:** Jo Sullivan, Clerk of the Board
- ACTION REQUESTED:** (1) Elect a Board treasurer
(2) Fill committee vacancies
- BACKGROUND:** Following the departure of Board member Dave Kleger at the end of his third term in December 2005, several vacancies in Board assignments have occurred. Those are:
1. Board Treasurer – this is a position required in ORS 267.120. It has few assigned duties but recently the person filling this position has been assigned to the Board Finance Committee. Board President Gerry Gaydos has recommended that Debbie Davis, currently a member of the Board Finance Committee, be elected treasurer to fill Dave Kleger's unexpired term of office. Current Board officer terms will expire on June 30, 2006.
 2. Service Planning and Marketing Committee – Dave Kleger had been the chair of this committee. Gerry Gaydos plans to name Dean Kortge to the committee. A chair will need to be named or elected.
 3. Metropolitan Policy Committee (MPC) Alternate – LTD's current representatives on the MPC are Susan Ban and Gerry Gaydos. Dave Kleger functioned as an alternate in the event neither Susan nor Gerry could attend.
- RESULTS OF RECOMMENDED ACTION:** The work of the committees will be able to move ahead without interruption.
- ATTACHMENT:** LTD Board Committees and Special Assignments
- PROPOSED MOTION:** I move that _____ be elected treasurer of the LTD Board of Directors to fill an unexpired term ending June 30, 2006.