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**LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING**

**Tuesday, March 31, 2009
5:30 p.m.**

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

A G E N D A

Page No.

I. CALL TO ORDER

II. ROLL CALL

Evans _____ Eyster _____ Gaydos _____ Kortge _____
Necker _____ Towery _____ Dubick _____

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

- III. PRELIMINARY REMARKS BY BOARD PRESIDENT
- IV. ANNOUNCEMENTS AND ADDITIONS TO AGENDA 04
- V. BOARD CALENDARS (5 minutes) 05
- VI. WORK SESSION
 - A. RideSource Call Center Brokerage (15 minutes) 06
 - B. Commuter Solutions Program Annual Report (30 minutes) 07
 - C. Legislative Update (15 minutes) 08

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

VII. EMPLOYEE OF THE MONTH – April 2009 (5 minutes) 09

VIII. AUDIENCE PARTICIPATION

- ◆ Public Comment Note: This part of the agenda is reserved for members of the public to address the Board on any issue. The person speaking is requested to sign-in on the Audience Participation form for submittal to the Clerk of the Board. When your name is called, please step up to the podium and give your name and address for the audio record. If you are unable to utilize the podium, you may address the Board from your seat.
- ◆ Citizens testifying are asked to limit testimony to three minutes.

IX. ITEMS FOR ACTION AT THIS MEETING

- A. Consent Calendar (1 minute) 10
 - 1. Minutes of the August 20, 2008, Canceled Regular Board Meeting (Page 11)
 - 2. Minutes of the December 5, 2008, Special Board Meeting/Strategic Planning Work Session (Page 12)
 - 3. Minutes of the January 21, 2009, Regular Board Meeting (Page 29)
 - 4. Minutes of the February 23, 2009 Special Board Meeting/Luncheon (Page 40)
 - 5. Discretionary Grant Allocations Revision (Page 42)

- B. Retirement Plan Modification (10 minutes) 45

- C. Public Hearing and Approval: FY 2010-17 Capital Improvement Program (5 minutes) 47
 - 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. Board Action

- D. Public Hearing and Approval: Federal Grant Applications (5 minutes) 54
 - 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. Board Action

- E. FY 2010-17 Long-Range Financial Plan (10 minutes) 57

- F. Contested Case Hearing Procedure (5 minutes) 62

X. ITEMS FOR INFORMATION AT THIS MEETING

- A. Board Member Reports (10 minutes) 67
 - 1. Meetings Held or Attended
 - a. Board Finance Committee – February 18
 - b. Board HR Committee – February 24
 - c. LCOG Board of Directors – February 26

d.	EmX Steering Committee – March 3	
e.	West Eugene EmX Extension Corridor Committee – March 12	
f.	Metropolitan Policy Committee – March 12	
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b.	United Front – March 16-18	
3.	No Meeting/No Report	
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D.	Monthly Department Reports (respond if questions)	82
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A.	West Eugene Collaborate Final Report (April)	
B.	Recovery and Reinvestment Act Grant Applications (April or May)	
C.	Commuter Solutions Comprehensive Group Pass Research (June)	
D.	Budget Adoption (June)	
E.	LTD Boundaries (June)	
F.	Legislative Bill Updates (future meetings)	
G.	Annual Performance Report (Summer 2009)	
H.	West Eugene EmX Extension Update (future meetings)	
I.	Gateway Station Construction Updates (future meetings)	
J.	LTD Sustainability Plan (future meeting)	
K.	Park & Ride Program (future meeting)	

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).

Special Mobility Services: RideSource Activity and Productivity Information

February-09	Current Month	Prior Year's Month	% Change	Current YTD	Previous YTD	% Change	Current 12 Month	Prior 12 Month	% Change
RideSource Ridership	12,521	13,343	-6.2%	106,990	100,019	7.0%	162,411	149,796	8.4%
RideSource(All Modes)	10,356	10,433	-0.7%	86,134	78,901	9.2%	129,933	117,711	10.4%
Shopper	439	538	-18.4%	3,865	3,908	-1.1%	5,918	6,066	-2.4%
Escort Volunteers-Metro	554	789	-29.8%	5,657	6,235	-9.3%	8,880	9,056	-1.9%
Escort Volunteers-Rural	1,172	1,583	-26.0%	11,334	10,975	3.3%	17,680	16,963	4.2%
RideSource Cost per Ride	\$ 21.97	\$ 18.76	17.1%	\$ 22.48	\$ 20.59	9.2%	\$ 21.98	\$ 20.11	9.3%
RideSource(All Modes)	\$ 26.02	\$ 23.39	11.3%	\$ 27.32	\$ 25.50	7.2%	\$ 26.87	\$ 24.96	7.6%
RideSource Shopper	\$ 12.55	\$ 11.15	12.6%	\$ 12.55	\$ 11.15	12.6%	\$ 12.55	\$ 11.15	12.6%
RideSource Escort	\$ 3.26	\$ 2.64	23.6%	\$ 3.05	\$ 2.76	10.5%	\$ 2.94	\$ 2.87	2.3%
Ride Reservations	11,196	11,459	-2.3%	92,744	86,936	6.7%	140,048	129,399	8.2%
Cancelled Number	1,056	1,070	-1.3%	8,759	8,841	-0.9%	12,926	12,557	2.9%
Cancelled % of Total	9.43%	9.34%		9.44%	10.17%		9.23%	9.70%	
No-Show Number	98	154	-36.4%	927	1031	-10.1%	1,467	1,467	0.0%
No-Show % of Total	0.88%	1.34%		1.00%	1.19%		1.05%	1.13%	
Ride Refusals Number	9	0		11	3	266.7%	14	11	27.3%
Ride Refusals % of Total	0.08%	0.00%		0.01%	0.00%		0.01%	0.01%	
Service Hours	5,400	5,657	-4.5%	45,868	42,349	8.3%	69,608	62,585	11.2%
Agency Staff	5,148	5,436	-5.3%	43,713	40,511	7.9%	66,249	59,734	10.9%
Agency SMS Volunteer	252	221	14.0%	2,155	1,838	17.2%	3,359	2,851	17.8%
Avg. Trips/Service Hr.	2.00	1.94	3.1%	1.96	1.96	0.0%	1.95	1.98	-1.5%
RideSource System Miles	75,536	77,896	-3.0%	633,479	589,757	7.4%	960,326	878,311	9.3%
Avg. Miles/Trip	7.00	7.10	-1.4%	7.04	7.12	-1.2%	7.07	7.10	-0.4%
Miles/Vehicle Hour	13.99	13.77	1.6%	13.81	13.93	-0.8%	13.80	14.03	-1.7%

Special Mobility Services: RideSource Activity and Productivity Information

February-09	Current Month	Prior Year's Month	% Change	Current YTD	Previous YTD	% Change	Current 12 Month	Prior 12 Month	% Change
On-Time Performance %	86.2%	88.1%	-2.1%	86.3%	90.2%	-4.3%	86.9%	91.1%	-4.7%
Sample	8,965	9,398		73,231	70,871		111,726	106,307	
On-Time	7,731	8,277		63,202	63,929		97,051	96,885	

- RideSource (All Modes) includes rides done by taxi and SMS volunteers.
- Escort Volunteers-Metro includes in-district volunteer rides and SMS volunteer escort rides.
- Escort Volunteers-Rural is out of district volunteer rides.

- RideSource cost per Ride (All Modes) does not include volunteer mileage reimbursement.
- Shopper cost per ride is from the most recent quarterly cost model.
- Escort cost per ride is mileage reimbursement to all volunteers.

- RideSource System Miles includes miles by volunteers in agency vehicles.

- On-Time Performance reflects a 100% sample of all rides with scheduled pickup times, plus will-call rides. The standard is +/- 10 minutes for scheduled pickups and within 30 minutes of will-call request.

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: FEBRUARY FINANCIAL STATEMENTS

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

ACTION REQUESTED: None

BACKGROUND: Financial results for the first eight months of FY 2008-09 are summarized in the attached reports.

Ridership as measured by boardings remains strong, but growth continued to slow in February. Boardings for the rolling twelve-month period that ended February 28 were 10.1 percent higher than for the same period last year, down from the 12.4 percent reported last month. February 2008 had one more day than in 2009, which accounts for some of the growth reduction.

Passenger fares are up 6.6 percent over last year due to strong ridership and also due to a 20 percent increase in the cash fare and an 18 percent increase in the monthly pass rate, both implemented in September. Group pass receipts are strong. Both revenue sources have positive budget variances through eight months of the current fiscal year.

Payroll tax receipts remain below budget and 2.1 percent ahead of last year. The current-year budget assumed an 8 percent increase in receipts. February was an evaluation period when quarterly receipts for October through December 2008 were disbursed. While it is somewhat encouraging that there was positive growth in year-to-year receipts, it must be noted that the effect of the closures of local recreational vehicle manufacturers has not been fully realized. May tax receipts for the period January 1 through March 31 will be an indicator of how deep the recession has gotten so far. In the meantime, major construction projects at the University of Oregon continue.

The majority of self-employment tax receipts are disbursed in May, so year-to-date results are not significant. State-in-lieu receipts are disbursed quarterly, so the next receipts will occur in early April for the quarter ending March 31.

Interest rates of return on investment continue to slide. By the end of February, available rates had fallen to 1.45 percent. Also, for most of the current fiscal year to date, there has been less money available for investment. Both the declining rate of return and available funds contributed to a 52.6 percent reduction in interest income for the first eight months of the current fiscal year versus last year.

Total personnel services year to date are below budget. As mentioned in previous reports, six bus operator positions remain unfilled in anticipation of possible future service reductions. A human resources position remains unfilled, and a customer service center position has been eliminated through attrition.

A positive result is the continued stability of fuel prices. The per gallon price peaked on July 7, 2008, at \$4.20 per gallon. The fiscal year low price was \$1.20 per gallon on February 24. As of February 28, the year-to-date average price was \$2.41 per gallon, down from the \$2.60 per gallon reported through January. The current-year budget assumed an average per gallon price of \$3.75. It is likely that there will be a positive budget variance for fuel by fiscal year end. If LTD is successful in its effort to buy and store fuel, thereby locking in the price for the next several months' supply, the variance could be as much as \$1,000,000 by fiscal year end.

The Commuter Solutions Fund and Accessible Services Fund are generally as anticipated by the budget through February.

In the Capital Projects Fund, spending continues on the Gateway EmX Extension project, which includes the new station at Gateway Mall. Construction on the new station began in late summer of 2008 and will be completed in the spring of 2009. Planning work also continues on the West Eugene EmX Extension.

ATTACHMENTS:

Attached are the following financial reports for February 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

- DATE OF MEETING:** March 31, 2009
- ITEM TITLE:** FY 2010-17 CAPITAL IMPROVEMENTS PROGRAM
- PREPARED BY:** Todd Lipkin, Financial Services Manager
- ACTION REQUESTED:**
- (1) Hold a public hearing on the Capital Improvements Program.
 - (2) Approve plan as proposed or amended.
- BACKGROUND:**
- The Capital Improvements Program (CIP) is LTD's program of projects funded with federal, state, and local funding and is reviewed and revised annually. Components of the CIP were discussed at the March 2, 2009, Board work session with a focus on its effect on the General Fund and the projects to be funded with American Recovery and Reinvestment Act (ARRA) funding.
- The Draft FY 2010-17 Capital Improvements Program was posted on the LTD website for public comment. A legal notice was published in *The Register-Guard* on Sunday, March 15. The public comment period closes at 5:00 p.m. on Tuesday, March 31. Comments received to date will be forwarded to Board members with the Board agenda packet. Any subsequent comments received will be handed out at the March 31 Board meeting.
- The Draft FY 2010-17 Capital Improvements Program includes the staff recommendation to use the ARRA funding for the following three projects:
- (1) Fleet Maintenance building remodel to increase capacity for articulated buses
 - (2) Fleet preventive maintenance
 - (3) Transit enhancements
- Other major projects included in this draft CIP are:
- Gateway EmX Extension completion
 - Alternatives Analysis, design, and construction of a West Eugene EmX Extension
 - Preliminary planning work on a fourth EmX corridor
 - Addition of exclusive lanes in Glenwood on the Franklin EmX Corridor
 - Replacement of LTD's bus fleet in accordance with the Fleet Plan
 - Glenwood facility remodel
 - Preventive maintenance

Due to the size of the bus purchases, debt will be required in the total amount of \$32,760,000 over the eight-year period. The debt is proposed to be paid with federal formula funds (5307), with annual payments in amounts less than grant funds expected. As always, federal funds must be matched with 20 percent local funds. The plan assumes that current legislation providing 5307 formula funds will be reauthorized in FY 2009-10.

The funding for projects reflects the best estimate at this time. While all funds are not yet secured, there is a reasonable expectation that future funding for the draft program of projects will be received. For example, Urbanized Area Formula Funds (5307) are assumed to continue at the current rate of annual growth (even though the current transportation bill expires September 30, 2009, and no new legislation has been considered at this time). Should the proposed funding not be realized, the program of projects will be reevaluated.

RESULTS OF RECOMMENDED ACTION:

The first year of the plan will be incorporated into the FY 2009-10 Proposed Budget.

ATTACHMENT:

Draft FY 2010-17 Capital Improvements Program

PROPOSED MOTION:

I move that the Board adopt the following resolution:

LTD Resolution No. 2009-011: It is hereby resolved that the Draft FY 2010-17 Capital Improvements Program, which includes the projects funded with American Recovery and Reinvestment Act (ARRA) funding, is approved as presented [amended].

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: ANNOUNCEMENTS AND ADDITIONS TO AGENDA

PREPARED BY: Jeanne Schapper, Administrative Services Manager/Clerk of the Board

ACTION REQUESTED: None

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

ATTACHMENT: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: BOARD MEMBER REPORTS

PREPARED BY: Jeanne Schapper, 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), the Lane Council of Governments (LCOG) Board of Directors, and, on occasion, to other local or regional committees. Board members also 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. **Board Finance Committee:** The Board Finance Committee is composed of Chair Dean Kortge, Mike Dubick, and Ed Necker. The committee met on February 18 to consider a request for proposal for the annual independent audit contract and to review accessible services grant awards. The members of the Finance Committee are serving as the audit contract proposal review and selection committee.
2. **Board HR Committee:** The Board HR Committee is composed of Chair Mike Dubick, Dean Kortge, and Gerry Gaydos. The committee held a joint meeting with the Board Finance Committee on February 24 to discuss a proposed change to the LTD Salaried Retirement Plan and Deferred Compensation Plan. A discussion about funding of LTD pensions also was held. The next committee meeting is tentatively scheduled for April.
3. **LCOG Board of Directors:** The LCOG Board meets every other month. LTD Board Member Mike Dubick represents LTD on the Lane Council of Governments (LCOG) Board of Directors as a non-voting member with Mike Eyster serving as the alternate. The Board met on February 26. Items discussed included the 2008 Report on the Metropolitan Planning Organization (MPO), Lane Economic Committee appointees, a report on climate change completed by the

University of Oregon and national government agencies, and the federal stimulus package. The next meeting will held on May 23.

4. **EmX Steering Committee**: Board members Gerry Gaydos (Chair), Doris Towery, and Greg Evans are members of LTD's EmX Steering Committee, along with members of local units of government and community representatives. The committee met on March 3, 2009, and was provided with an update on the Franklin EmX Corridor, Gateway EmX Corridor, and West Eugene EMX Corridor. Also, a group of community planning workshop students interviewed the committee members about their roles and opinions concerning the EmX planning process.
5. **West Eugene EmX Extension Corridor Committee (WEEC CC)**: This committee is a subcommittee of the EmX Steering Committee and is composed of Board members Greg Evans, Dean Kortge, and Gerry Gaydos, along with members of local government and community representatives. At the March 12 meeting, staff reviewed potential project impacts that could affect park and recreation areas; historic, archaeological, and cultural areas; and protected lands under Section 4(f) of the Department of Transportation Act and Section 6(f) of the Land and Water Conservation Fund (LWCF) Act. The next meeting is scheduled to be held on April 9, 2009.
6. **Metropolitan Policy Committee (MPC)**: MPC meetings generally are held on the second Thursday of each month. Board members Mike Eyster and Greg Evans are LTD's MPC representatives, with Mike Dubick serving as an alternate. At the March 12 meeting, staff received current information about the American Recovery and Reinvestment Act (ARRA), the Unified Planning Work Program, and the proposed allocation for STP-U funds for LTD.

OTHER ACTIVITIES

1. **APTA Legislative Conference**: Board member Greg Evans and General Manager Mark Pangborn attended the annual American Public Transportation Association (APTA) Legislative Conference on March 9-11, 2009. The conference is intended to provide an opportunity for discussion of key legislative issues that affect transit.
2. **United Front**: The United Front is an effort by several local public agencies, including LTD, to coordinate their federal funding requests and lobby jointly for those priority requests. Every year, representatives of the United Front agencies travel to Washington, D.C. to meet with congressional representatives, their staff, and key federal agencies to solicit support for the funding requests. Board President Mike Eyster and Assistant General Manager Stefano Viggiano represented LTD on this year's United Front trip, which was held March 16-18, 2009.

NO MEETINGS HELD

1. **Board Service Committee:** The Board Service Committee members are Chair Greg Evans, Ed Necker, and Doris Towery. The committee last met on January 29, 2009, to discuss priorities for possible service additions. The next meeting has not yet been scheduled.
2. **Gateway EmX Extension Corridor Committee:** This committee (formerly Pioneer Parkway Corridor Committee) also is a subcommittee of the EmX Steering Committee. It is composed of Board members Doris Towery, Mike Dubick, and Mike Eyster, and local government and community representatives. The committee last met on January 17, 2008. The next meeting has not yet been scheduled.

AGENDA ITEM SUMMARY

DATE OF MEETING: February 18, 2009

ITEM TITLE: CORRESPONDENCE

PREPARED BY: Mark Pangborn, General Manager

ACTION REQUESTED: None

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

PROPOSED MOTION: None

LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/
STRATEGIC PLANNING WORK SESSION

Monday, December 5, 2008

Pursuant to notice given to *The Register-Guard* for publication on December 1, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting/strategic planning work session on Monday, December 5, 2008, beginning at 8:15 a.m., in the PacificSource conference room at 110 International Way, Springfield.

Present: Mike Eyster, President, presiding
 Greg Evans, Vice President
 Dean Kortge, Secretary
 Mike Dubick
 Ed Necker
 Doris Towery
 Gerry Gaydos
 Mark Pangborn, General Manager
 Jeanne Schapper, Clerk of the Board/Minutes Recorder

CALL TO ORDER – Mr. Eyster called the meeting to order at 8:15 a.m. and welcomed everyone in attendance. With the exception of Mr. Gaydos, all Board members were present.

ANNOUNCEMENTS – Mr. Pangborn introduced Financial Services Manager Todd Lipkin, who would be running scenarios for the group as options are considered, including variables and how they affect the bottom line. Mr. Pangborn remarked that discussions today will give staff direction concerning the budget process for the next fiscal year and perhaps into the following two years. Details will follow in January through March 2009.

ASSUMPTIONS FOR KEY BUDGET ELEMENTS–

1) Service Level – Director of Service Planning, Accessibility, and Marketing Andy Vobora reviewed service level changes. Public outreach information is included in the MPC memorandum included in Board members' binders. The target was a 15 percent cut in service hours; staff was able to reduce service to 14.43 percent, resulting in an approximate \$2.5 million savings. Service hours are only one component of the service package; other pieces associated with the service package include maintenance and supervisory activities. Express routes will be cut in February 2009, with the remaining service changes to be implemented in September 2009.

Also the District is reaching an agreement with the University of Oregon (UO) to buy back service. The UO is very interested in maintaining the higher level of service between Kinsrow and is also interested in discussing direct services for students. In the first phase, UO will purchase service beginning January 5 through LTD's winter bid, which extends through spring term (mid-June). The UO will purchase additional late night service on the 79x (Kinsrow) to about 2 a.m., which is an approximate \$30,000-\$40,000 investment. There are concerns about this late night service, but it could save jobs. The University will be increasing this type of fee, which will also allow the University to enrichen its transportation programs, including bike programs. Staff are asking the University to fund Route 79x service in the gap between 7 p.m. and 10 p.m. Concerning public safety, the University has public safety personnel on campus 24 hours per day, so if there was an

issue and LTD did not have supervisory staff available, the University staff could be called upon to assist. If behavior and public safety on the bus were to become an ongoing issue, LTD could discuss expanding the Wackenhut contract. In response to a question from Mr. Dubick, Mr. Vobora added that this route would eventually be added to the regular bid.

Mike Eyster added that it would assist students who are coming out of the library late at night.

In response to a question from Mr. Necker, Mr. Vobora said that the new late night route would be paid for by the University. To clarify, it would be at the direct cost rate, rather than the fully allocated cost rate. The rate would cover the driver, vehicle operation costs, but not the vehicle depreciation and overhead.

Mr. Vobora mentioned the third option, which is to assume that LTD would receive all state and federal funds that the District is seeking, and payroll taxes would turn around, resulting in an increase in service provided. Mr. Vobora added, however, that is probably not likely in the short term. The staff recommend Option 1 be adopted and assumed in the Long-Range Financial Plan (LRFP). Any additional service reduction would be considered in FY 2010-11.

Mr. Eyster inquired as to what amount of savings would be achieved with the recommended service reductions. Mr. Pangborn answered that the savings target is approximately \$4 million and that approximately \$2.5 million would be saved through the service cut.

Mr. Eyster asked the Board for opinions on Option 1. Mr. Dubick responded that he agreed with the Option 1 recommendation. He added that if further cuts become evident in the future, they can be made at that time.

Mr. Gaydos arrived at 8:35 a.m.

Mr. Evans said that he felt that Option 2 may be the more prudent course. Given the seeming current recession, the District could be facing a worst case scenario sooner than expected. He felt that additional cuts should be considered at this time.

Mr. Vobora reiterated that the package would include Tier II cuts that were previously discussed, including Sunday and late-night service. That decision could be made as the District enters further into the budget process in the spring as implementation of those cuts doesn't require as much planning work. Staff will be presenting further information on other options as the day progresses.

Mr. Viggiano asked that if the change was made for the winter bid of 2009-10, would that decision have to be made now. Mr. Vobora answered that it is not necessary to wait until Fall 2011, but the decision would need to be made by the first of November 2009.

Mr. Eyster clarified that the Board could move in the direction of Option 1 at this time and reevaluate throughout the summer and fall of 2009; then move to Option 2 at that time if needed.

Mr. Evans stated that future construction projects will be generating revenue, but that was probably too far into the future. He added that the District should project and explore a worst case scenario.

Mr. Necker asked for clarification as to the timeline for the budget decision process. Mr. Pangborn said that a formal budget review would take place in February or March, with a final decision in April when the Budget Committee meets. In February staff should have payroll tax revenue information from the last quarter of 2008 and would also have more information on the loss of revenue from the Hynix closure. By then staff also would know how much revenue will come from the Stimulus package.

In response to a question from Mr. Necker, Mr. Viggiano said that the big picture will become more evident as all of the options are presented for discussion. It also may become evident that it is not necessary to settle on just one option, but that a combination of options may be more beneficial.

2) Paratransit Service – Mr. Vobora mentioned that the first quarter information that is provided shows that ridership is up 14.3 percent, but vehicle miles is up only 5.5 percent. This may mean that people are making shorter trips, but there is an increased waiting time related to these trips, which drives costs. Medical insurance costs increased only 8 percent. He reminded those present that this was an analysis of the last quarter, so a year-over-year analysis is not available at this time. A transfer of \$2.4 million was planned and is looking promising. Staff assume modest growth rates based on the work being done concerning eligibility certification and the integration with the brokerage model, which may keep the growth rate down. Another option would be to stay with the 10 percent annual growth, or an even more aggressive assumption given what is expected in the future in terms of more riders entering the system and the trend towards longer trip times.

Mr. Kortge agreed with assuming 10 percent. He was concerned, however, with the long range. Mr. Vobora responded that the service is required according to the ADA. It is hoped that some cost sharing will be received from the state in terms of cigarette tax revenues. Assistance at the federal level is hoped for as well; however, that seems unlikely.

Mr. Kortge stated that if these sources are unproductive, at some point service cuts will be necessary. Mr. Vobora added that the cuts would come from the fixed-route service.

Mr. Viggiano added that this issue is one that most transit agencies around the country face. Eventually, all agencies will be in a situation where bus service is reduced in order to fund ADA service. At that point, a solution has to come from the federal level.

Mr. Evans noted that counterparts back east do not provide the level of service that LTD provides with respect to ADA requirements. There is a large conflict between the paratransit community and the transit districts because the paratransit community alleges that the transit districts are failing to provide the required level of service. The transit agency responds that they will provide only the bare minimum required. LTD is the leader in this field in many respects. He asked if reducing LTD's paratransit services be a viable solution – or quite bad in terms of public relations. Mr. Pangborn responded that LTD is not providing anything over the minimum ADA requirements.

Director of Finance and Information Technology Diane Hellekson added that it appears that LTD exceeds the requirements because many of the things that LTD is able to do are separately funded. Credit goes to Accessible Services Manager Terry Parker for getting the grants that other programs began. Mr. Pangborn added that the manner in which the District is able to combine programs and resources makes LTD appear more generous, but in fact, LTD is more efficient.

Mr. Necker asked if eligibility requirements for services would change. Mr. Pangborn clarified that because of LTD's strict interpretation of ADA, users would maintain their eligibility. LTD hired a person through Senior and Disabled Services to go out and do individual personal mobility assessments in users' homes. It may be determined that a person is ADA-eligible, but also may be able to utilize other programs as well for which LTD will receive reimbursement. LTD has the call center so that all calls related to that person's needs may be tied together and billing can be assigned to the corresponding funding source. The person's transportation needs, therefore, may be met seamlessly. Yet the demand for paratransit service will continue to grow, perhaps because LTD provides such good service.

Mr. Vobora added that due to stricter requirements, if someone is able to use fixed-route service but is unable to get to a bus stop, paratransit service is provided to transport those individuals to the nearest station to catch the regular bus. This practice results in shorter paratransit trips. In addition, the same individuals eventually figure out how to get to the nearest bus stop on their own.

3) Personnel Services – Mr. Pangborn explained that the background information is separated into two categories: contract employees and non-contract employees. The 14.5 percent service reduction translates into 23 operator positions. However, with six current vacancies, the number of affected operator positions is reduced to 17.

In response to a question from Mr. Necker, Mr. Pangborn said that these operators would be laid off unless hours were cut for other operators. However, the contract does not allow for too much flexibility in reducing operator hours. Also, full benefits are extended to all operators who work a minimum of 30 hours in a single week.

Because of the reduction in service hours, the proposal also includes a reduction of two bus mechanics and the elimination of one cleaner position. Unfortunately, it is difficult to find skilled mechanics. Due to contract requirements, the newest mechanics (who have the most in-depth and up-to-date training) would be the first to be laid off. Director of Human Resources and Risk Management Mary Adams is investigating incentives that could allow the more senior mechanics to voluntarily retire if they wish, thus eliminating the need to lay off the newer and more skilled mechanics.

Ms. Adams added that there are currently 58 District employees who are eligible for retirement, many of which have chosen to work beyond retirement age for various reasons. Retirement options, such as buy-outs, are being analyzed for financial benefit to the District. Staff also are considering any ethical and legal issues that may affect these options.

Director of Maintenance George Trauger added that during the next one to three years, there will be five Maintenance staff that will be looking at retirement. Current training practices have resulted in an investment in the future for some very knowledgeable, yet newer, mechanics. The District doesn't want to lose that investment.

Mr. Evans concurred. He reiterated the importance of keeping an eye on the long-term health of the organization. Consideration needs to be given to the ramifications of laying off newer trained junior employees that could be contributing to the growth of the system. There is a need for balance when planning for the long-term.

Mr. Evans said that he hears frequent comments from the public that over the last 25 years LTD has doubled the number of mechanics, doubled the number of drivers, but quadrupled the number of administrative staff. He first asked if there was any truth to that perception and then asked if that could be something that the union may use against LTD in the current budget cut dialog. Mr. Pangborn responded that staff are currently looking at that question. There is no definitive answer yet, but staff will be going back as far as the 1980s, the most significant recession in recent history. However, he believes that LTD is a different organization that it was back then. For example, staff are now required for the BRT system, and an IT system did not exist in the 1980s. Administrative staff has been increased for good reason.

Mr. Evans emphasized the need to be aware that this issue may be raised by the union for public consumption. LTD needs to be aware of the need for transparency and clarity in terms of the real needs of the District.

Mr. Dubick was supportive of the need to look at the cost savings for retirement incentives. He also mentioned the *Passenger Transport* article that reported on a transit agency that cut cost by hiring full-time drivers to cover all routes, rather than paying overtime to current drivers. Director of Transit Operations Mark Johnson responded that staff try to maintain a balance in terms of when it is most cost-effective to pay overtime. The District saved more than 6,000 hours in overtime this past year over the year before, which is approximately \$180,000 in savings.

Mr. Pangborn also mentioned other implications of hiring full-time staff, such as the cost of employee benefits. At times, paying overtime is more cost-effective. Mr. Lipkin added that benefits are approximately 52 percent of compensation. Ms. Hellekson emphasized that fortunately the District has sufficiently sophisticated technology to track this information. She also emphasized that because the District is trying to address staff cuts through attrition as much as possible, there will be over-time paid in the short term.

Mr. Johnson added that there are currently four drivers over the age of 70 and several that will be turning 65 shortly. Mr. Lipkin commented that even if it becomes apparent in February that the District will receive stimulus money, service cuts will still be necessary, but it could be possible to offer buyouts to everyone who is eligible for retirement. Currently, the District cannot afford to offer buyouts to everyone.

Ms. Towery stated her concern about the long-term consequences of cutting trained mechanics positions. She understood the difficulty of replacing trained staff. She would rather the District look elsewhere to cut expenses, such as offering buyouts.

Mr. Pangborn then referred the Board's attention to the non-contract employees. Total administrative costs are 14 percent of budget and the District is already operating very lean. A number of administrative staff are capital grant supported, including some IT and Planning staff. These positions are being funded by a non-operational revenue stream of federal capital discretionary funds. Lay-offs of these staff members would not result in savings to the District's operational budget. This leaves a minimal level of administrative staffing. Tier II budget cuts consider reducing operational costs by reducing administrative staff. In addition, staff have proposed other ways to reduce costs without reducing staff, such as a pay freeze, voluntary or mandatory furloughs, or shorter work weeks. Mr. Pangborn gave the example of Willamalane, which is looking into closing offices on Fridays, resulting in a projected savings of 10 percent. It seems more attractive to take days off without pay rather than a pay cut or freeze. At least staff are getting paid the same for time worked.

In regards to the option of taking a day off without pay, Ms. Towery mentioned that post 9-11, the economic situation for United Way (UW) was such that staff were offered a shortened work week. This resulted in a cut in pay. Some employees were reluctant at first, yet years later, even as economic times have improved, these employees have elected to continue the shorter work week, resulting in a continued cost savings to UW. Ultimately, the cost savings to UW also was seen as a benefit to employees. Some LTD employees may see this as an opportunity to work a shorter week if they can handle the workload.

Mr. Dubick cautioned that wage freezes could result in LTD jobs being less competitive in the job market. If a furlough were adopted, salaries should continue to increase and stay competitive when the time comes to hire good employees in the future.

Mr. Pangborn clarified that offering furloughs to grant-funded positions does not result in a cost savings.

Mr. Kortge asked if grant money could be reallocated. Mr. Pangborn answered that the money could only be spent for other expenses within the grant project. Mr. Pangborn also added that

some positions cannot be subject to furlough requirements without consequences. He gave the example of supervisors taking furloughs, which would result in shifts not having supervisory coverage. He continued that when a supervisor takes a vacation, a driver is brought in as a temporary supervisor to cover, resulting in a shortage of drivers, and so on.

Mr. Necker said that it needs to be made clear to staff why some positions may not be subject to furloughs, such as grant-funded positions. Mr. Pangborn said that the issue needs to be visited on a person-by-person basis. Another issue that will affect staff sentiment is whether furloughs are optional or mandatory.

Mr. Vobora responded to an earlier comment by Mr. Evans that this option is part of the Tier II reductions; however, considering public perception, this type of staff reduction may be something to consider immediately. That would send the message that everyone is facing the current situation together. There is always the option of adding back later if the necessity for cuts is not as bad as projected.

Mr. Viggiano pointed out that one vacant administrative position in Human Resources was not filled. Also, it was found that some staff time that should have been charged to grant-funded projects was not being charged. That staff time is now being charged correctly.

Mr. Eyster remarked to the importance of documenting the necessity of some staff. Information Technology (IT) Manager Steve Parrott added that if staff hours are reduced, at some point the work will simply not get done. From an IT standpoint, the work the department does affects departments across the organization. As jobs are deferred, results of higher failures on the road and various inconveniences to staff, are ultimately felt by other departments within the organization. The dependence of positions between departments makes staff reductions difficult.

Ms. Towery asked if Lean Management training had been pursued. She is familiar with organizations that have gone through the training and discovered efficiencies that were not thought possible. Mr. Pangborn said that the District had begun the process with the Customer Service Center. Due to budget concerns, the process has now been put on hold. He expressed his agreement that the program is worthwhile and will certainly be revisited.

In response to a remark from Mr. Eyster, Ms. Adams said that she has been asked about retirement estimates from three employees. One person said that they would wait to retire to see what happens. She didn't believe that there would be any employees retiring before the District made a formal decision regarding buy-outs. It would probably not be economically possible to offer those employees enough of a financial incentive to retire, so staff were exploring other creative incentives that would entice those persons to retire.

Ms. Towery asked staff to consider the motivation for retirement-age employees to continue working. Options should be explored that consider whether the motivation is purpose-driven as opposed to finance-driven. For example, if the employee was continuing employment because of a feeling of purpose, volunteer opportunities may be offered. Partnering with non-profit organizations may be an option for getting work done around the District while giving those employees a sense of purpose. Ms. Adams answered that staff had those discussions and found two reasons given most often for not retiring were: 1) inability to afford health care, and 2) inability to afford to live on expected retirement income. It is planned to have these discussions with all potential retirees as a group and then on a voluntary, one-on-one basis if the employee asks to do so.

In response to a question from Mr. Necker, Mr. Pangborn said that the next step is to determine the effects of mandatory versus voluntary furloughs on a department-by-department basis.

Mr. Necker stated his desire to see a staff presentation on the subject.

4) Pension Costs – Ms. Adams stated that there were two pension plans: one for salaried and one for represented staff. Each plan has its own set of trustees. The pension plans have not been exempt from what's been going on in the investment market. The plans have lost more than 35 percent of their value. In terms of the Long-Term Financial Plan, a decision needs to be made as to how to estimate the cost of that investment loss over time. An actuarial assessment of the cost to run each plan is done every two years. The next will be done in 2010, and the District should anticipate a significant increase in the cost of the pension plans. Staff are recommending that the 2010-11 budget assume an increase of \$500,000.

Mr. Kortge asked if there was a policy statement that had been adopted that addressed the desired funding level. Ms. Adams responded that the Board wanted to see both plans fully funded at 100 percent. A 20-year cycle is used to achieve a 100 percent funding level. When the Board adopted that policy, it was known what it would take to fully fund the plans. It was understood that the next year, the number would be higher, the following year the number would be higher, and so on. Every year the District's contributions to the plans increase--even in a good market year.

In response to a question from Mr. Kortge, Ms. Adams stated that the District's unfounded liability would increase if the \$500,000 contribution were not met. In addition, the plans assume no cost of living increase in their cost of living assumptions. There is no language in the pension trust plans that automatically grants cost of living increases. The salaried trustees have not seen a cost of living increase since 1999.

5) Labor Contract Costs – Ms. Adams said that the contract this last period had included a 5.5 percent increase per year. The current contract expires June 30, 2010. Negotiations will probably commence in Spring 2010 for the next contract. Staff are faced with estimating what may come out of those negotiations. LTD's negotiations will likely be influenced by negotiations with Salem Transit and Tri-Met done earlier that year. Ms. Adams expressed her certainty that the ATU understands the significance of the District's current budget situation. Discussions with Jon Hunt and others have indicated that they anticipate a tough bargaining cycle with all three transit agencies. The average range of wage increases for 2008 contracts was about 2.8 percent, with about a 3.1 percent increase the year before. Generally across the country, labor contracts are settling at lower rates. In addition, union representative positions will be coming up for election in 2009. It is unknown who the District may be negotiating with in 2010. What is important is that the union is aware of what the District is doing and why it is being done in terms of staffing.

6) Outsourcing – Ms. Hellekson stated that staff have determined that outsourcing of some services saves money. Staff believe that consideration is being given to these issues at every opportunity and are not recommending changing its outsourcing policy.

In response to a question from Mr. Eyster, Ms. Hellekson stated that there are certain contract issues with regards to outsourcing. For example, bus maintenance cannot be outsourced because of contract issues.

7) Materials and Services (M&S) – Ms. Hellekson mentioned that during the October Strategic Planning Session, Leadership Council members discussed in detail materials and services expenditures and explored opportunities to save money, including eliminating one-time expenses or reducing ongoing expenses, and sustaining them at a lower level for a shorter period of time.

A large part of the M&S budget is composed of expenses of which the District has little control, including fuel (\$3.5 million of the \$8.5 million budget) and insurance. Some expenses have already been scaled back (such as the employee banquet) or curtailed altogether. Staff propose the following priorities for maintaining services while reducing expenses:

- Vehicle maintenance and safety
- Asset preservation
- Training in support of required credentials, maintenance of required technical skills, knowledge of applicable state and federal regulations
- Mandated professional services (such as the independent audit and banking services)
- Necessary professional services (such as specialized legal representation)
- General training
- Other services (marketing surveys; media development and placement; and supplies)

Mr. Evans asked if the recommendation would be modified if the District received federal funds from the stimulus and based on the change in formula allocation. Ms. Hellekson responded that the District would be able to use federal formula funds for maintenance and is proposing to do so to the extent that the Capital Improvement Program will allow. That strategy is probably not viable in the long-term.

Mr. Pangborn reiterated that this plan will be amended. Hopefully by February or March the amount of money received from the stimulus package will be known and can be added back into the equation. In addition, it will be known when the money will be received, which can take months.

Mr. Kortge cautioned staff to consider the unforeseen ramifications of canceling employee celebrations. Mr. Pangborn explained that much consideration had been given to the importance (in terms of teambuilding and employee recognition) of maintaining a celebration—though scaled back.

8) Customer Service Center (CSC) – Mr. Johnson explained that currently the CSC is open from 6 a.m. to 8:30 p.m., Monday through Friday, 9 a.m. to 5 p.m. on Saturday, and closed on Sundays. There is Security staff on site on Sunday who manage the lobby activity. The lobby and bathrooms are currently open on Sunday and there is a cost involved. Upon considerable review, it was decided to reduce office hours in the CSC. Staff explored three different options: 1) reduce hours from 80 hours per week to 55 hours per week, which means staying open 7 a.m. to 6 p.m., closing Saturdays and Sundays, and eliminating two CSR positions; 2) reduce hours to 70 hours per week; eliminating one position, and closing Saturdays and Sundays; and, 3) keep hours and service as they currently are.

There are only eight CSC staff, so Mr. Johnson relayed that LTD staff reluctantly recommend Option 1.

Mr. Evans asked if there was a way to keep phone lines open on Saturdays without staffing, which can be labor intensive. He felt that customers would still be calling in for directions—many of whom do not have computers to look up the information themselves, and providing that service was a very important component of LTD's service. Mr. Johnson responded that a person would still need to be on staff, and it is policy to try to avoid having only one person alone at the counter.

Mr. Evans clarified that his suggestion was to shut down the front counter and have someone out of view answering phones—at least during peak call times. He felt that maintaining a minimum level of weekend information service is a critical part of customer service. Mr. Johnson

acknowledged that Mr. Evans suggestion could be carried out with the elimination of one position, but not two.

In response to a question from Mr. Necker regarding dropped calls, Mr. Johnson said that with the weekend closure of the CSC, there would be a greater concentration of staff coverage during the week, which could reduce the number of dropped calls. Mr. Pangborn added that for the last five months, the drop call rate has been between 15 and 23 percent, which is quite significant.

Mr. Johnson noted that the dropped call rate in off peak hours is very low, and the number of calls received on the weekends is significantly less than during the week days. The desire is to eventually implement an automated phone system to improve the management of calls. Mr. Parrott mentioned a study that was done concerning an automated system. People were 90 percent more likely to go directly to a CSC representative than navigate through the phone system. Mr. Johnson pointed out the likelihood that would change if a person was not available.

Mr. Pangborn added that the District is reluctant to go to an automated system for customer service reasons; however, other districts have successfully implemented similar systems. It has been planned and has been a part of the CIP for quite a while, but it keeps getting pushed out as situations such as the present occur.

Mr. Dubick commented that the option of an automated system seemed more cost-effective than having a person on staff. Mr. Pangborn said that there were costs involved in maintaining any system.

Mr. Eyster remarked that the downtown station is a presence that adds vibrancy to the community and is a source of comfort that there is someone "at home." Yet, there certainly is a cost to maintaining that image. Mr. Dubick countered that the situation is serious and removing staff from the office sends a very visible message that the District is responding appropriately.

Mr. Johnson emphasized that the \$120,000 in savings with Option 1 could be better spent on bus service, which is the primary service LTD needs to provide.

9) Fuel Price Assumptions – Mr. Trauger opened the discussion by mentioning that the price of fuel was its highest in July at \$4.20 per gallon, and yesterday the price was \$1.47. The price continues to drop; however, it is unknown how long the trend will continue. The budget assumed \$3.75 per gallon, with an annual increase of 3 percent thereafter. It seems more reasonable to assume a 5 percent increase in future years. Since July, the average the District has paid for fuel was \$2.93. Staff recommend Option 3, which reflects an assumed price of \$2.80 per gallon.

Mr. Necker asked what happens to the extra money budgeted for fuel if the price comes in under the projected price. Mr. Pangborn answered that the money could be moved into the next year's budget to be used to rebuild reserves or transferred over for a local match in capital, or it can be put back into service. Mr. Pangborn emphasized that it would be a one time allocation.

Ms. Hellekson added that the amount of federal money that was to be used for maintenance could be reduced. The federal money received from formula grants can be used for maintenance, which the District does to some extent. Whatever is used for operations is not available for capital projects. The proposal is that for a period of three years, more of the federal funds will be used for operations. Nevertheless, staff feel that it is dangerous to become dependent on those funds beyond addressing the current situation, so it is planned to wean the District away from the practice at the end of three years.

Mr. Pangborn explained that Tyree Oil had recently given a presentation on fuel prices, including fuel price hedging. LTD's current price that day was \$1.82/gallon. Fuel prices could be hedged

for one month, six months, or a year, and the price per gallon would be \$2.14 to lock in for twelve months. In a sense, LTD would be asking Tyree Oil to assume the risk of a price increase, but for a fee. Currently, Mark Hay, who works in Maintenance, has a good relationship with Tyree Oil in that he is kept up to date on the best current price on the market and when to purchase. With regards to hedging, the District would be required to commit to a minimum purchase of at least 25 percent of its fuel needs. Mr. Trauger added that as of yesterday, LTD's price per gallon would have been \$1.47; the three-month contract price would have been \$1.90, which represents a markup of nearly 29 percent. For a six month contract, the price would have been \$2.08, which is nearly a 41 percent increase. There is a premium to be paid for pricing stability. Over the long term and considering the law of averages, the District does pretty well. Ms. Hellekson concurred.

Mr. Trauger offered that experts say that the projected price per barrel for crude oil is around \$60, which equates to around \$2 per gallon.

At the request from Mr. Eyster, Ms. Hellekson clarified that staff felt that overall the District was currently paying less for fuel than it would if proceeding with a hedging purchase option. She added, however, that it was not an "all or nothing" proposition. Some fuel could be purchased through contract and some could be purchased at the current market price. Mr. Trauger clarified that the amount of the minimum contract purchase would be 42,000 gallons per month. Currently the District purchases about 80,000 gallons per month.

Mr. Pangborn suggested that it did not sound like the Board thought that fuel hedging was the prudent course. Mr. Eyster and Mr. Dubick concurred.

10) Legislative Revenue Possibilities – Assistant General Manager Stefano Viggiano stated that there are a number of opportunities for increased revenue coming from the 2009 legislative session.

a. Elderly and Disabled (E&D) Transportation: The Governor recommends that the tobacco tax for E&D transportation be increased from the current 2 cents per pack to 2.5 cents. Currently state funding pays for approximately 11 percent of E&D transportation costs around the state. In addition, Representative Terry Beyer is expected to introduce a separate bill that would increase the tobacco tax by 7 cents in 2009 and an additional 4 cents every two years thereafter through 2015. If the bill is passed, the state would then be paying approximately one-third of E&D transportation costs around the state.

E&D funding is getting a lot of attention, so it is likely that there will be additional funding; however, it is unclear what the amount will be. A 2.5 cent increase would generate approximately \$400,000 in additional revenue for LTD.

Mr. Eyster asked for clarification as to the cost to LTD to provide E&D transportation. Mr. Viggiano responded that LTD's general fund contribution is \$2.4 million and the District receives \$600,000 from the State. Mr. Viggiano continued that LTD put forward a proposal that the Oregon Transportation endorsed for a 7 cent increase with 4 cent escalators, of which the State would fund about one-third of the total cost. Reiterating Mr. Kortge's earlier sentiments, Mr. Viggiano stated that costs that are escalating at that rate can't be sustained over time.

b. Payroll Tax: The governor's transportation package includes an increase in the maximum payroll tax rate. The 2003 legislature allowed the tax to increase from .006 to .007 incrementally over time. On January 1, 2009, the rate will be .0065 and will be .007 by 2014. The governor's proposal allows for the rate to go to .007 on January 1, 2010, and increase to .008 over the following 10 years. The proposal is likely to generate opposition and only affects LTD and Tri-Met.

c. Other Possible Revenue: The governor's package also includes the allocation of \$44 million to federal flexible funds for multi-modal transportation, which includes more than just transit. Currently, the money primarily goes towards roads and highways. The \$44 million is from the Surface Transportation Program, which is capital money and can't be used for operations. If the District receives any of these funds, it may provide some flexibility in that additional formula funds could be used for capital. It is, however, unlikely to have an impact on the operating budget.

Mr. Viggiano stated that the District is also seeking reimbursement of \$90,000 in taxes that were paid for River Road Station, and recovery of that money seems likely.

Staff recommend the fairly conservative Option 2, which assumes that the payroll tax rate would be increased to .007 immediately, with no additional cigarette tax revenue. Nevertheless, Option 3 also seems fairly realistic. Mr. Viggiano felt optimistic that the District would receive the cigarette tax as well, but hesitated to make that assumption.

In response to Mr. Dubick's inquiry concerning a jump to .008, Mr. Viggiano stated his belief that increase would be a much tougher sell to the local business community. Mr. Viggiano also emphasized that even though the legislature can allow an increase in the payroll tax, it is ultimately up to the Board to implement the tax. The message to the local community is that the District pledge not to increase the tax until the economy improves and the increases would occur over time.

Mr. Pangborn mentioned that there are currently 11,200 payroll taxpayers. Of those, 1,200 pay 80 percent of the tax and 9,000 have a maximum payroll of \$500,000 per year or less. The payroll tax at a rate of .0065 for \$500,000 is \$3,250; and for .007 the payroll tax is \$3,500.

Mr. Evans asked about a parking space fee proposal. Mr. Viggiano said that the Vision Committee came up with the idea, but no details have been given, and the proposal has not received much discussion. Mr. Pangborn said that staff would be having conversations with local government agencies to discuss the particulars of this option further.

11) Other Revenue Possibilities

a. Federal Revenue Possibilities: Mr. Viggiano mentioned that the most promising options are at the federal level. A stimulus bill is being developed in January. It is expected that the first thing President-elect Obama will do is sign the bill. The speculation is that the bill will be somewhere between \$300 - \$800 billion dollars. Transportation, and transit in particular, will be part of it. Hopefully there will be some transportation operational money; although that is not a given. Operational money can be distributed fairly quickly since it will be done through a formula process; capital money is different because no earmarks are expected in the bill for specific projects. A process needs to be in place in order to determine where the money will go. As a region, the cities and LTD are putting a plan together. The money may go to the states, or it may go to the local Metropolitan Planning Organization to be distributed within the area, or it may go to the Federal Transit Administration to be distributed throughout its regions. No one knows at this time. Nevertheless, it is expected that some money will come from the stimulus package for LTD and there also is a reasonable chance that LTD will receive some operational funds.

Reauthorization is the other issue. The expectation is that the bill, which expires on September 30, 2009, will not be ready to go by October 1. It is expected that the new transportation bill will provide substantially more money. Realistically, the District cannot count on funds from this bill (at least in the short term) that will provide any relief to the current situation.

Mr. Evans offered that the original projection was to ask for more than double the SAFETEA-LU expenditure, which is \$56 billion, and transit is looking at \$123 million out of a \$500 billion package. Senator Oberstar would like to see that scaled back.

b. Local Revenue Possibilities: At the Board work session in June, several options were discussed. Some were rejected and some are still under consideration, including a parking space charge, property tax, and systems development charge. Staff are open to other options to consider as well.

Mr. Evans broached the subject of a waste management fee as a generator of revenue to be used collaboratively for roads and other things, including transit. Mr. Pangborn said that this option will be explored with City of Springfield staff and other local agencies.

c. Fare Revenue Possibilities: Fares were aggressively increased by 20 percent this past summer. The LRFPA assumes that fare revenues will increase by 5 percent per year. Since substantial fare increases just occurred, it is felt that the only fare increase option to consider would be in the monthly pass rate, including the group pass (which already increases approximately 8 percent per year). Staff are weighing the possibility of losing group pass customer against the revenue generated from an increase. Given the current economic situation, staff feel that the District should not assume another increase in fares.

Staff recommend the conservative Option 1, which assumes no additional revenue from federal and local sources or from fares. While there is reason for optimism that federal funding will be increased, it is by no means certain.

If revenue for operations is received in the stimulus plan, that money would be spread out over at least a two-to-three year period.

12) Federal Grant Funding for Maintenance – Mr. Lipkin stated that the District currently receives \$4 to 4.5 million per year in federal formula funds, which can be used for any capital purpose. Up to 10 percent of formula funds also may be used for ADA costs, and the funds may be used for up to 80 percent of vehicle or facility maintenance costs. The District has not elected to do that in the past since the funds were needed for capital projects. Formula funds have funded bus purchases, IT purchases, facility improvements, and most of the passenger boarding improvements. In contrast, Tri-Met uses all of the formula funds received for maintenance. The things that LTD uses capital funding for (IT, facilities, etc.) Tri-Met uses general funds.

Staff propose the elimination or delay of approximately \$3.2 million of capital projects during the next three years that are scheduled to be funded with formula funds. This frees formula funds to be used for vehicle maintenance, which allows funds that normally pay for vehicle maintenance to be used for other operating needs. The options given are to not use formula funds for maintenance or to transfer \$3.2 million of federal formula funds to the General Fund over the next three years to be used for vehicle maintenance. Mr. Lipkin emphasized that either option the Board chooses is not engraved in stone. Staff would not apply for these funds until the expected revenue from the stimulus package was known. There is some flexibility and no commitment to spending the entire \$3.2 million. Also, the intent is to move away from this scenario after the current economic situation passes.

Mr. Evans inquired about continuing to run free fares on EmX. He asked if it been determined whether it is cost-effective or cost-prohibitive to install a fare system. Mr. Pangborn responded that a cost analysis was done and it was determined that the system would pay for itself. Mr. Viggiano added that the analysis did not include the capital cost of the fare machines themselves-just the ongoing cost to maintain operation of the system. Mr. Viggiano mentioned that currently 9 percent of riders on the EmX system do not pay a fare. As the system expands with a longer

corridor, the percentage of people who receive a free fare will increase; although the exact number is not known at this time.

Ms. Hellekson reiterated that it is not known exactly what the system will cost at this point, nor exactly how the system will be operated.

Mr. Dubick remarked that the perception of free fare on the EmX is the greatest cost. The discussion concerning additional revenue is difficult as long as the community questions free fares on EmX. He believed that when the doors open on the Gateway EmX line, the District needs to be charging fares—regardless of whether the District is actually making money on the line or not. No other revenue at the local level is possible until this issue is addressed. Therefore, the system will pay for itself. Mr. Kortge concurred.

Mr. Pangborn mentioned that a sample fare machine will be demonstrated at the December 17 Board meeting. The District's plan is to look at implementation of the fare system next summer or fall with the existing line, so that by the time the Gateway line is open, all the bugs should be worked out of the system.

Mr. Pangborn explained that there are options presented here today that had not been considered before because LTD always plans for the long term. If capital is depleted as some school districts do (facilities are not maintained), at some point the facilities are dilapidated and improving the facilities cannot be accomplished. LTD has never pursued a bonding issue like LCC or others do, but it is an option. For now, LTD needs to look at the next three years very critically, yet plan to get back on the previous track when the current situation passes. LTD is looking at making a substantive shift in policy and operating procedures. This shift in policy translates to \$1 million per year with few or no cuts in staff or service. Mr. Viggiano added that the projects that are deferred or eliminated are not critical to the operation of the District.

Mr. Evans directed a question of revenue options through advertising. Mr. Vobora advised that options are being considered, such as a Canadian company that does advertising on bus passes, which pays for the cost of producing the passes. Also inside ads will soon be appearing on EmX buses. Mr. Vobora added that of the cut in M&S, about \$100,000 is from next year's advertising budget, so advertising will be reduced considerably during the next year. Nevertheless, the other options will be aggressively pursued.

13) Payroll Tax Revenue – Ms. Hellekson stated that this tax is the primary source of operating revenue. There are two pieces to the payroll tax: the payroll tax base and the payroll tax rate increase. The optimistic view assumes no increase in the base, with the tax rate growth of 3 percent, 4 percent, 5 percent, and 6 percent in the subsequent years. The middle view assumes that the base will decline about 2.8 percent this year and about 1.5 percent next year, and then grow 3 percent, 4 percent, 5 percent, and 6 percent in subsequent years. The pessimistic view assumes a larger decline this year and then goes flat a while after another loss next year, and growth doesn't begin until the fourth year.

Staff recommend the middle view, which includes service reductions. Even if the District were to go to the 8 percent immediately, the District is still faced with a problem. If LTD receives some stimulus money, it still may not make a great deal of difference. The District will still be looking at a combination of reduction options.

Mr. Evans offered his skepticism as to how popular the immediate tax rate increase would be among the local business and emphasized the need to focus on finding a supplemental revenue source to augment the current base. He also stressed the need to address the current community attitude about ecology: green jobs and green economic solutions to environmental issues. He appealed to LTD to find a sustainable revenue source.

The Board took a break for lunch from 12:01 p.m. to 12:30 p.m.

PROJECT CONSTRUCTION GRANT AGREEMENT – Mr. Viggiano introduced this addition to the agenda, pointing out that this is the first agreement of this type in the country and a milestone for FTA. The attorney determined that it takes special action by the Board to authorize the general manager to sign this type of contract. Unfortunately, staff didn't learn about this stipulation until yesterday, and that notice was insufficient for the Board to be able to take action on this item today. Staff are suggesting that a conference call meeting be scheduled early next week, rather than waiting until the next regular Board meeting. Only one Board member is required to be at the location of the conference call, with a minimum of four Board members participating in the conference call. Public notice will be given, and the Board will be asked to approve the authorization of the general manager to sign the contract. The Board agreed to schedule the conference call meeting on Tuesday, December 9, 2008, at 11:30 a.m.

WEST EUGENE COLLABORATIVE (WEC) – Mr. Schwetz presented an overview of the WEC, which is a diverse group that has been working together for the last 18 months or so to address issues related to West Eugene land use and its environment. The formation of this group came about due to the elimination of the West Eugene Parkway proposal. The goal of the effort is to produce a consensus on a vision for West Eugene.

Mr. Gaydos added that he is impressed with the dedication that has been shown from all members of the group. The group concentrates its efforts on the environmental aspects of future growth in West Eugene.

Mr. Schwetz directed attendees attention to the Executive Summary, which best described the efforts of the Collaborative. The central piece to the group's vision is a full multi-way boulevard from Chambers to Beltline. The primary concept for a multi-way boulevard is to provide for a number of things that happen on a busy street, including access to local businesses, the creation of inviting pedestrian routes, and integrated parking. This concept goes hand-in-hand with high capacity transit. The concept includes two exclusive opposing lanes for EmX, with a buffer zone separating east/west through traffic lanes, and parking lanes. To create enough space requires the appropriation of approximately 60 feet of right-of-way.

Mr. Schwetz pointed out that with all the work the group has done on the vision, there has been no work done on an analysis of the effectiveness of the vision. LTD is looking at ways to draw through traffic off of West 11th. LTD's interests involve improvements at the intersection of Beltline and West 11th (next to Roosevelt) and Bailey Hill up to 7th Avenue. Estimated costs of the project range from \$190 to \$250 million.

In response to a question from Mr. Kortge, Mr. Schwetz said that this is a long-term vision that extends 50 to 60 years. In the context of LTD's project, this timing is well beyond LTD's 20-year investment. LTD needs to clearly state its needs in this vision.

Mr. Gaydos clarified that when this group formed, it was made clear that there were two projects to consider: West Eugene EmX and the City's project, and the group is supportive of both in its vision.

Mr. Evans expressed concern over a possible need for LTD to align its needs with those of the Collaborative. Mr. Schwetz stated that what LTD is advocating within the Collaborative is that this process does not have any analysis in terms of its effectiveness, whereas LTD's process is very detailed and looks at several alternatives. Staff also are incorporating the Collaborative's ideas when considering the options for the future EmX.

Mr. Viggiano added that this particular vision of a multi-way boulevard would work well for EmX if it included exclusive transit lanes.

LONG-RANGE FINANCIAL PLAN – Mr. Pangborn solicited comments from the Board.

Mr. Kortge said that it made sense to him to go along with staff recommendations.

Mr. Dubick agreed that the revenue assumptions were a moving target. All the Board can do is agree on a course of action, and if it turns out to be wrong, revisit the issue then.

Mr. Kortge related his discomfort with any formal indication from the Board that it is prepared to advance to the 7 percent immediately, even if the legislature allows.

Mr. Viggiano asked if the Board was comfortable with the staff recommendations on the other issues discussed. An affirmative response was heard from the Board members.

BUDGET SCENARIOS – Mr. Pangborn said that the District was looking at a \$4.1 million shortfall. If the shortfall is greater, then service cuts will need to be revisited, as well as additional transfer of federal formula funds and additional staff reductions. Capital projects will be pushed back. A major bus purchase is coming up in three years, and since the money will be spent here, that money will not be available then.

There are options for “Add-Backs.” Mr. Pangborn felt that it is less likely that this option will be considered anytime in the near future.

Mr. Pangborn then described the budget process timeline and the contributing factors, directing the Board’s attention to the graph on the front wall. The timeline included the legislative session, payroll tax, stimulus package, and other factors. This timeline is helpful in order to show the decision process and District activities relative to receipt of actual funds. For example, even if LTD is to receive funds from the state through the tobacco tax, LTD wouldn’t actually receive the money until mid-2010. Nevertheless, information received from the legislative session in the spring can provide budgeting information. The Gateway EmX is expected to open in late December 2010.

Mr. Evans asked if there were plans to have up-to-date project information available on LTD’s website, including West Eugene or Gateway EmX. He gave LCOG as an example. Mr. Parrott said that the District was not in a position to build that type of informational program. The IT department does not have the staff nor the resources to put a project of that type together quickly; however, the project could be added to the list of future projects.

Mr. Schwetz added that it took three years for LCOG to program its system to make available information of this type. Through partnering with LCOG, this process is possible. Mr. Schwetz gave the KeepUsMoving program through Commuter Solutions as an example. Mr. Parrott emphasized that a project of this size has to be decided as a strategic change in direction, in terms of staffing and resources.

Mr. Pangborn added that Marketing and Graphics are continually upgrading and expanding LTD’s website to accommodate more information.

COMMUNITY COMMUNICATION AND SUPPORT – Mr. Pangborn advised that Mr. Eyster and LTD staff would be meeting with *The Register-Guard* editorial board to give a brief summation of the decisions that the Board has made today and the implications for LTD’s budget for the next year and into the future. Staff also have arranged meetings with area chambers of commerce to discuss these issues. Beginning next week, staff brown bag luncheon meetings are planned to discuss budget issues.

Mr. Vobora added that *The Register-Guard* will be doing an article regarding the legislative process as related to West Eugene EmX. In addition, staff are working with Ulum and Funk staff in an attempt to generate a community advocacy base, and trying to come up with methods to connect people into the long- and short-term processes. Mr. Pangborn mentioned that staff had met with *The Eugene Weekly* as well; however, that article has not yet been printed.

MPC DISCUSSION – Mr. Schwetz asked if anyone had any questions concerning the MPC information included in the packet.

Mr. Pangborn asked when the WEC report would come out. Mr. Schwetz answered that the group would be taking another month to finalize the report.

BOARD E-MAIL – Mr. Pangborn introduced this additional agenda item. An issue came to light recently concerning communication between Board members and staff. Any such communication, unless protected by law, is subject to public disclosure. Currently LTD has e-mail accounts set up for each Board member. The concern is that District e-mail sent to a Board member's personal e-mail accounts could subject the Board member's computer and information stored within to inspection.

Mr. Parrott explained that currently all Board members have e-mail accounts on LTD's network and that e-mail is forwarded to Board members' private accounts. What staff would do is create a mechanism for the Board member to log into LTD's network through the member's own computer. The process shouldn't take an inconvenient amount of time. While the Board member is on LTD's network, none of the information that the member is working on or has access to is ever transferred to the Board member's own personal computer. This provides a clean barrier and protection for Board members' personal computers.

In response to a question from Mr. Kortge, Mr. Parrott clarified that the system could be set up to send the Board member a notification when e-mail is received.

Mr. Parrott continued with the second option, which involves the Board member creating an e-mailbox under the member's own personal account. This account would be specifically dedicated to LTD e-mail and would need to be certified as such. Nevertheless, since the e-mailbox would not be separate from the e-mail system on the member's personal computer, the PC could be exposed to discovery.

Mr. Parrott explained the third option, which involves printing out e-mails and faxing, mailing, or delivering them in person to the Board member. There is no connection with a network at all; however, there is a cost of time involved.

Staff recommend Option 1.

Mr. Dubick offered his own experience with school district e-mail that was set up similarly to Option 1 and worked well.

In response to a question from Mr. Kortge, Mr. Parrott said that given the positive response from the Board, IT staff would begin work on the project the next week. An e-mail Board group will be created and instruction sheets will be drawn up for Board members' reference.

OTHER BUSINESS - The group wished Mr. Viggiano a happy 55th birthday and sang the birthday song.

Ms. Hellekson mentioned that the Budget Committee would soon be short one member from the community. Mr. Necker would be selecting a representative from the community to be considered for membership on the Committee. Ms. Hellekson informed Mr. Necker that his

nominee did not need to reside within his sub-district. An orientation for the new Committee member is planned for April.

ADJOURNMENT – There was no further discussion, and the meeting was adjourned at 1:43 p.m.

Board Secretary

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MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
REGULAR BOARD MEETING/WORK SESSION

Wednesday, January 21, 2009

Pursuant to notice given to *The Register-Guard* for publication on January 15, 2009, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, January 21, 2009, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
 Michael Dubick
 Greg Evans
 Gerry Gaydos
 Ed Necker
 Doris Towery
 Mark Pangborn, General Manager
 Jeanne Schapper, Clerk of the Board
 Lynn Taylor, Minutes Recorder

Absent: Dean Kortge

CALL TO ORDER/ROLL CALL – Mr. Eyster called the meeting to order and Mr. Pangborn called the roll. Mr. Eyster noted that Mr. Gaydos would arrive shortly.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Director of Service Planning, Accessibility, and Marketing Andy Vobora introduced Liesl McLean from Lamar Advertising. He said Lamar handled all of the advertising on LTD's buses and Ms. McLean was the local market manager.

Ms. McLean remarked that 2008 was a good advertising year (in part because of the Olympic Trials), and she was pleased to present LTD with an overage check of \$89,795.56.

Mr. Eyster thanked Greg Evans and Angie Sifuentez for their efforts on behalf of the Rosa Parks Plaza dedication ceremony on January 19. He noted that fundraising efforts had entirely covered the expenses.

Mr. Eyster said that LTD had received recognition for its involvement in the 2008 Olympic Trials from Mayor Kitty Piercy on behalf of the City of Eugene.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – Mr. Pangborn asked Mr. Vobora to address the issue of Wi-Fi on LTD buses.

Mr. Vobora explained that a recent article in *The Register Guard* had erroneously stated that LTD was installing Wi-Fi on buses. He said a vendor had approached the District about the possibility and had provided a demonstration of the technology to staff. Because the capital improvements

program was exhausted and staff resources dedicated to other activities, there were no plans to install the technology on buses at the present time.

BOARD CALENDARS – Mr. Pangborn reviewed activities on the new Board calendars and noted that February was a busy month.

WORK SESSION

2009 Legislative Session Preview – Assistant General Manager Stefano Viggiano introduced Chris Shultz, who represents LTD's interests at the State Legislature. He highlighted some of the LTD 2009 legislative agenda items described in the agenda packet. He said that the District was requesting state money to match federal funds for the West Eugene EmX Extension. Ideally, when combined with federal funds, those funds would pay for the entire project without the need for local funds. He said additional state funding for elderly and disabled transit was also being requested. Funding from the state had been level at \$600,000 per year for some time; nevertheless, the cost of providing those services had risen to \$2.4 million. He said that funding for paratransit services had been moved from transportation to human services and that the District was advocating for paratransit being included as a transportation funding need.

Mr. Viggiano said that an increase in the payroll tax maximum rate was part of the governor's proposal for transportation funding. He added that the legislature only established the maximum payroll tax rate; it was up to the Board to decide how much would be charged locally.

In response to a question from Mr. Necker, Mr. Shultz indicated that he was tracking several proposed increases in the cigarette tax that would pay for various health programs. He said that there would need to be consensus on the level of cigarette tax increase that would avoid having tobacco companies refer the matter to the voters. He observed that lower consumption and restrictions on smoking in public places were also factors in the equation.

Mr. Viggiano agreed that the cigarette tax was not a good long-term solution to funding paratransit. He added that there also was legislation to allow a refund of \$89,000 in property taxes that had been paid as a result of a paperwork oversight. He said the Board's discussion of a potential property tax had resulted in legislation to provide a payroll tax credit to businesses if a property tax was enacted in the future. He indicated that there was some controversy surrounding the bill and that TriMet had expressed concern that it could create confusion. He pointed out that the passage of the bill would simply put the mechanism in place without obligating the District to take any action.

Mr. Dubick and Mr. Necker agreed that pursuing property tax credit legislation was a good idea. Ms. Towery asked if there had been any discussions with the County and cities about the legislation. Mr. Viggiano said that there had been discussions with jurisdictions and that there was some concern about the District enacting a property tax.

Mr. Pangborn stressed that there would be significant opposition to a property tax from the business community without the mechanism in place for tax credits. Mr. Shultz pointed out that state law already provided a payroll tax credit against income taxes but not property taxes.

Mr. Eyster asked if any of the revenue measures would impact service cuts. Mr. Viggiano answered that the earliest the District would realize any additional funding would be 2010 and that would not be in time to affect the Fall 2009 cuts.

Mr. Schulz commented that the legislative revenue picture was bad and continued to worsen. He said that there were many new legislators who had not experienced a declining economy, but because LTD was primarily asking for the authority to help itself, the District's proposal could receive support. He said that there was likely to be a stimulus bill to fund some state capital construction projects and that there had been some discussion of a second round of stimulus benefits for other governments. If that were the case, the District would need to have projects that were construction-ready in order to be competitive for those funds.

Gateway EmX Extension Update – Mr. Viggiano used a slide presentation to illustrate elements of the project. Regarding property acquisition, he said there were 44 different acquisitions and in no case was business, building, or parking being displaced. He reported that most offers had been made and 16 purchases completed. The goal was to have all parcels available by April 15, 2009, so that the contractor could move forward. He specified that the project budget was \$41.3 million, with \$38.4 million coming from State ConnectOregon and federal Small Starts funding. The project represented an opportunity for economic stimulus because construction was beginning at a time when an influx of money and jobs was needed in the community. He indicated that there were three separate contracts for the project: one for the Gateway station, one for International Way, and one for the Pioneer Parkway corridor and stations.

Joe McCormack stated that construction drawings had been submitted to the City of Springfield for the issuance of permits, although there were some outstanding items not yet included in the drawings, including the Springfield Station modifications, public art, Q Street intersection improvements, and the link between RiverBend and International Way.

Mr. Dubick asked if the City of Springfield still had concerns with the Pioneer Parkway/Harlow Road intersection. Mr. McCormack said that LTD had originally proposed a pedestrian-activated crosswalk at the Hayden Bridge station, but that the Springfield City Council did not want a signal at the roundabout. Mr. Viggiano added that the disabled community was raising safety issues concerning the roundabout.

Mr. Viggiano reviewed the project budget and said that the International Way component was the only uncertainty. It was a favorable bidding climate and he expected bids to be at or below estimates, resulting in an overall project budget that was in good shape and included over \$2 million for contingencies. He said the goal was to begin service in late 2010.

Mr. McCormack reported that the Gateway Station project was on schedule, even though construction was suspended over the holiday season at Gateway Mall's request. He expected the station would be ready for service in mid-May 2009.

EmX Fare Machine Presentation – Information Technology Manager Steve Parrott demonstrated a fare management machine manufactured by Parkeon that was being considered for EmX service. He said Seattle was using the machines as a payment system for parking and LTD was researching the possibility of leveraging a piggyback option in a City of Seattle contract to purchase the Parkeon system. He said that the machines fit the needs of LTD's EmX stations

very well. He said that the machines were typically solar-powered, but AC power would be used at EmX stations because of the much higher volume of transactions expected. He said that customers would be able to use coins, bills, and credit or debit cards for transactions. There would be two machines at each station and a single machine on each platform. The cost of acquiring and installing 38 machines will be approximately \$850,000.

In response to a question from Mr. Evans, Mr. Parrott said that the machines would issue customers a credit in lieu of change, and the credit could be taken to the Customer Service Center for reimbursement.

Mr. Parrott noted that the financial figures were still preliminary, but serving nine percent of ridership with the machines would realize about \$500,000 of income in the first year of operation on the Franklin Boulevard segment alone. He said that the system could pay for its operational costs, and the investment would require a 20 percent match of about \$170,000 which would be returned to the District in about 13 months.

Mr. Gaydos asked about screen glare and how drivers would deal with a passenger who, for some reason, was unable to obtain a fare instrument and tried to board the bus with money instead. Mr. Parrott responded that the intent was not to be heavy-handed about implementation. He pointed out that there would be ambassadors on platforms and in stations to inform customers that fares were now being charged on EmX and to explain how the machines worked. He added that screen glare was a problem that all manufacturers confronted.

Mr. Parrott said that he expected the machines to be installed in mid-May to June and operational by July, with the official opening in Fall 2009 on the Franklin Boulevard EmX corridor.

EMPLOYEES OF THE MONTHS – The Board recognized Bus Operator Art Kennedy as the January 2008 Employee of the Month and Transit Operations Supervisor Van Snyder as the February 2008 Employee of the Month.

Mr. Eyster thanked Mr. Kennedy and Mr. Snyder for their dedication to LTD's mission and presented certificates of appreciation, checks, and pins commemorating the awards. Mr. Kennedy characterized his 36 years with LTD as a blessing. Mr. Snyder expressed his enjoyment of working for LTD.

UNITED WAY LOANED EXECUTIVE AND TEAM RECOGNITION – Director of Human Resources and Risk Management Mary Adams said that LTD had been a long-time supporter of United Way, with active employee campaigns. She introduced Bus Operator Tom Benfatti who acted as the loaned executive in 2008.

Mr. Benfatti reported that in 2007 there were 117 LTD employees who pledged a total of \$32,908, which represented a 32 percent increase over the previous year; for 2009, even with the difficult economic times, there were 167 employees who pledged a total of \$43,458, representing a 43 percent increase over 2008 pledges. He commended District employees for their support.

Ms. Towery praised Mr. Benfatti's work as a loaned executive; he had represented LTD well in the community and she added that LTD's contributions would help ensure that thousands of people receive the services they need.

AUDIENCE PARTICIPATION – Mr. Eyster explained the guidelines for providing public comment.

Carol Seaton, 1150 West 15th Street, Eugene, expressed concern that the public was unable to effect change at LTD through the Board of Directors chair. She asked how long LTD had contracted with Wackenhut Corporation for security services, how many complaints had been received during that time, and how they were processed. She wanted Wackenhut abuses, such as obtaining information from police files, investigated. She said that no one should be denied bus service simply because they walked away from a bus stop. She had been told that the head of security should not be the same person that conducted hearings because that was prejudiced. She reported that her granddaughter had been denied bus service unless she admitted having done something wrong and promised not to do it again. The granddaughter's only action had been to change her mind about riding the bus and walk away from the station. Ms. Seaton also submitted her remarks in writing.

John Williamson, 188 Pioneer Parkway #4, Springfield, listed things that he felt were “contra-survival” to LTD. He recited definitions for the following words: survive, moral, and ethical. He said a survival action was a moral action and those things that were considered contra-survival were considered immoral. He complained that employees were not complying with LTD's regulations, operating manuals, driver handbooks, and job descriptions and that meant the District's survival was in question. He cited a number of poor driving techniques that were “contra-survival” actions and observed that LTD was in chaos from top to bottom.

Charles Ruff, Oregon Country Fair, expressed concern with the 40 percent increase in charter rates. He said that the Country Fair valued its 25-year partnership with LTD and that they understood that the District had changed its special service policy to a charter service policy. He appealed to the Board to make some accommodations to the Country Fair in light of the dramatic increase in rates. He said that the Fair had not had an opportunity to budget for that expense and that charging riders meant significant changes in operations and culture. He indicated that the Fair did not charge riders because organizers wanted to keep the event affordable for low-income patrons. He understood that there had been a change in federal regulations relating to charter services, but hoped that the Board would agree to work with the Country Fair to manage the cost transition so that the increase could be implemented incrementally. He distributed a letter of support for the Country Fair's request from Congressman Peter DeFazio.

Mr. Evans explained that the Board was sympathetic to the Fair's situation, but it had little discretion under the new regulations, which were intended to “level the playing field” for private operators and allow them more access to the market by preventing public agencies from cutting them out of the business. He said LTD's mounting operational costs were also a factor.

Mr. Pangborn said charter rate pricing options could be added to the agenda as an action item. He noted that an Agenda Item Summary (AIS) with options for consideration had been distributed. Regarding Mr. Williamson's remarks, he said that there was an agenda item related to a system audit that addressed some of the issues he had raised. He said that the District's exclusionary policies were being reviewed with legal counsel as a result of Ms. Seaton's concerns.

Mr. Evans asked if private operators had expressed an interest in providing services to the Country Fair. Mr. Pangborn said that Mr. Vobora had published information on the District's website about potential charter services in 2009, based on the interest that organizations had expressed regarding LTD's services. He stated that there had been no response from private providers within the time provided and that LTD could move forward with those services.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – The Consent Calendar consisted of the minutes of the July 30, 2008, Special Board Meeting; October 13, 2008, Special Board Meeting; December 9, 2008, Canceled Board Meeting; and Budget Committee Nominations of Kay Metzger and Donald Nordin. Mr. Dubick moved adoption of LTD Resolution 2009-001: It is hereby resolved that the Consent Calendar for January 21, 2009, is approved as presented. Mr. Gaydos provided the second.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge (1)

Independent Audit Report for Fiscal Year Ending June 30, 2008 – Director of Finance & Information Technology Diane Hellekson explained that LTD was required to obtain an annual independent audit due to both state and federal requirements. She explained that the auditor worked directly for the Board and then introduced Charles Swank of Grove, Mueller & Swank, P.C. to provide the annual report.

Mr. Swank commended LTD for its strong accounting function and financial management staff. He highlighted the report contents and reviewed the Letter of Governance which provided the Board with a description of the auditor's tasks and provided the results of the audit procedures. He reported that there were no significant accounting adjustments and that management had cooperated fully and provided all requested documentation. He said that there were no findings with reference to federal or internal control deficiencies; and recommendations from last year's audit report, which were not considered internal control deficiencies, had been addressed. He commended LTD's financial operations for a job well done.

MOTION Mr. Evans moved approval of LTD Resolution No. 2009-002: Be it resolved that the LTD Board of Directors received the Independent Audit for Fiscal Year 2007-08 in December 2008, and accepts the Independent Audit Report for the fiscal year ending June 30, 2008. Mr. Gaydos provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge (1)

2009 Federal Funding Requests – Mr. Viggiano reported that LTD had participated with other local jurisdictions to develop a consolidated list of federal priorities to present to the congressional delegation. He said that this year was unique in that the list included not only the annual federal funding requests, but also requests for the reauthorization of the six-year federal surface transportation bill, which will expire on September 30, 2009. He briefly reviewed the projects that staff recommended for inclusion in the annual requests:

- Bus Replacement - \$11 million from FTA Section 5309 Bus and Bus Related funds
- Maintenance Facility Expansion - \$5.5 million from FTA Section 5309 Bus and Bus Related funds
- West Eugene EmX Extension Preliminary Engineering - \$2.5 million from FTA Section 5309 Bus and Bus related funds
- Gateway EmX Extension Construction Funding - \$4.295 million from FTA Small Starts Program

Mr. Viggiano said that the federal surface transportation bill requests were for larger projects and that funding could occur over the six-year life of the legislation. He reviewed the eight projects that staff recommended for inclusion in the funding request:

- Design and Construction of West Eugene EmX Extension - \$75 million from FTA Small Starts Program
- Renovation and Expansion of the Maintenance and Operations Facility - \$12 million from FTA Section 5309 Bus and Bus Related funds
- Environmental Analysis and Alternatives Analysis for EmX Corridor #4 - \$6.5 million from FTA Alternatives Analysis funds
- Franklin Boulevard Corridor - \$7.5 million from FTA Small Starts Program to fund LTD's portion
- Bus Replacement and Expansion - \$30 million from FTA Section 5309 Bus and Bus Related funds
- Vehicle Guidance Implementation - \$3 million from FTA Section 5309 Bus and Bus Related funds
- Park & Ride System Expansion - \$6 million from FTA Section 5309 Bus and Bus Related funds
- Elderly and Disabled Transportation Operational Funding - \$2.8 million in federal funds per year (source unspecified)

Mr. Eyster asked if there was a process in place for determining the amount of funding each jurisdiction involved in the Franklin Boulevard Corridor project would provide. Mr. Viggiano said that the corridor had been done piecemeal to this point and that there was discussion about submitting a single combined funding request. Staff were waiting for advice from congressional staff before proceeding, and it was yet to be determined which jurisdiction would take the lead in that initiative because the project spanned multiple jurisdictions.

Regarding funding for elderly and disabled transportation, Mr. Evans asked if the District had considered partnering with Lane County to join in the request for federal funds for human services. Mr. Viggiano said that it had been discussed with the congressional delegation and could be explored further.

MOTION Mr. Necker moved approval of LTD Resolution 2009-003: It is hereby resolved that the LTD Board of Directors approves the projects as recommended by staff for inclusion in the 2009 Federal Priorities book. Mr. Gaydos provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge (1)

Charter Pricing Options – Mr. Vobora explained the Oregon Country Fair's concerns about the recent change from a two-tier charter pricing structure to a single-tier fully allocated pricing structure. He referred to a chart in the meeting packet that provided the direct and fully allocated costs of service and two options for phasing in the fully allocated cost. He suggested that if the Board adopted a phased-in option, all of the events that were part of the Tier 2 pricing structure before the change should be included in the phased approach.

Mr. Evans said that private operators had convinced the previous federal administration that public agencies had a built-in advantage that was unfair and the rules should be changed.

Mr. Vobora said that there were few private carriers in the local area and that the largest had not indicated any interest in providing the charter services that LTD currently provided. He explained that the first option phased in the increase in an equalized way over the four-year period while the second option had a more dramatic increase in the first year, making subsequent increases less dramatic. He cautioned that the out years were only estimates of actual costs and the intent was to reach the fully allocated cost by 2012, whether that was \$147 or \$164. The phased increases represented percentages for reaching the fully allocated costs.

Mr. Evans asked if the Country Fair intended to eventually charge fares for people to ride the bus. Mr. Ruff said the Fair would work to get to the fully allocated rate, but would need time to do that. He indicated that the Fair had tried to keep the service free for social equity reasons and it would take some time to successfully make that transition.

Ms. Towery understood the social equity issue, but pointed out that the Board was faced with serious budget problems; and social equity for the District meant people getting to jobs so that they could support their families. That had to be weighed against making cultural events available to the community. She was concerned about providing basic services to people who needed them to get to and from daily life activities as opposed to services related to community events for which the District could realistically charge. She was willing to consider a phased in approach.

In response to comments from Mr. Evans, Mr. Ruff said the Country Fair Board was discussing options for charging riders, but needed time to transition to that practice. He said there was no objection to going to a fully allocated cost in a phased approach.

Mr. Dubick suggested that the cost of service could perhaps be absorbed into the price of admission to the Fair. He felt that Option 2 was a good compromise so that LTD could continue to provide the service without losing money. He said LTD could not justify subsidizing or giving

away service, but the phased approach would allow the Fair to make whatever adjustments were necessary.

Mr. Gaydos, Mr. Necker, and Mr. Evans indicated they could support Option 2.

MOTION Mr. Evans moved approval of LTD Resolution No. 2009-004: Be it resolved that the Lane Transit District adopts phased Option 2 to apply to current local event charters. Mr. Dubick provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Kortge (1)

ITEMS FOR INFORMATION AT THIS MEETING

Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2007-2008 – Ms. Hellekson recognized the contributions of Accounting Manager Carol James and Financial Services Manager Todd Lipkin in preparation of the CAFR. She encouraged Board members to review the document and highlighted the section that provided a statistical picture of the community. She focused attention to items from the Executive Summary, including continued growth of payroll tax receipts, Accessible Services' operation of a brokerage, adequate control of expenses, farebox recovery, a record for system productivity, and an unprecedented growth in ridership and revenue from fares.

Board Member Reports - Mr. Eyster reported that at its last meeting, the Metropolitan Policy Committee (MPC) had discussed transit service reductions and possible ways to avoid them. Mr. Pangborn added that Eugene, Springfield, and Lane County were willing to consider the possibility of allocating some of the federal Surface Transportation Program-Urban (STP-U) funds to LTD for capital costs during the next fiscal year.

Board Committee Assignments – There were no questions.

System Audit – Director of Transit Operations Mark Johnson reviewed the results of a system audit conducted by First Transit in September 2008. He reported that First Transit, a national firm, evaluated things including driver safety, condition of buses, cleanliness, and fare collection. The results were included in the agenda packet. He indicated that fare collection was one of the areas identified as needing improvement. He noted that in areas of safety and driving skills, the District received very high scores.

Mr. Pangborn said that the audit would be used for educational purposes at this time, but that future audits also may focus on other critical areas.

West Eugene EmX Extension Project Update – Mr. Viggiano referred Board members to the report in the agenda packet. There were no questions.

Federal Economic Stimulus Recovery Package – Mr. Viggiano related that the House of Representatives had developed an \$825 billion economic stimulus recovery package, of which \$10.1 billion was for transit. He said that \$5.4 billion would be distributed by 5307 formula, and LTD was estimated to receive about \$6 million in additional 5307 funds if the package was approved by congress. He said it appeared that the same rules would apply to the additional 5307 funds, except that no local match was required, at least half of the funds had to be contractually obligated 120 days after it was approved, and all funds had to be spent within two years. Staff had identified two potential uses for the funds: fleet maintenance and the remodeling and slight expansion of the maintenance building. He illustrated with slides some of the potential modifications to the maintenance facility. He said that when the building was originally constructed 19 years ago, it was assumed that the District fleet would only consist of 40-foot buses. The purchase of articulated buses several years ago had necessitated some modifications to the building to accommodate the longer buses. The structure was reaching capacity and would not be able to handle the planned fleet of 45 articulated buses. He described a possible phased approach to remodeling the facility that could be started with stimulus funds.

Mr. Evans asked about the maximum age of a bus. Mr. Viggiano responded that LTD typically kept buses until they were 15-16 years old (past the buses normal life expectancy). He added that the District would not make a major investment, such as an engine replacement, in a bus that old.

Mr. Lipkin indicated that the funds could be used for any costs associated with fleet maintenance, including wages for fleet staff. He said that use of the funds for fleet maintenance could meet the requirements to obligate 50 percent of the funds quickly and support job creation and retention. Mr. Pangborn said that would free up General Fund money for allocation to service.

Meeting with TriMet – Mr. Evans reported on a meeting that he and Mr. Pangborn had with TriMet's general manager and a Board member. Items included:

- Alignment of legislative priorities at the state level
- Partnership on the 2010 American Public Transit Association conference in Eugene
- Strategies for working with the local business community on transit revenue needs and increasing the payroll tax rate
- Forging enhanced board-to-board communications
- Broadening relationships with labor organizations

Mr. Pangborn felt that the first meeting had been very productive, and he looked forward to building on it and meeting in the future.

Mr. Eyster thanked Mr. Evans for initiating the collaboration with TriMet.

MOTION EXECUTIVE SESSION – Mr. Gaydos moved that the LTD Board of Directors meet in Executive Session pursuant to ORS 192.660(2)(i), to review and evaluate the employment-related performance of the LTD general manager. Ms. Towery provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Necker, Towery (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Kortge (1)

The Board entered executive (non-public) session at 8:05 p.m.

RETURN TO REGULAR (OPEN) SESSION – The Board returned to regular session at 8:34 p.m.

ADJOURNMENT - The meeting adjourned at 8:34 p.m.

Board Secretary

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/LUNCHEON

Monday, February 23, 2009

Pursuant to notice given to *The Register-Guard* for publication on February 19, 2009, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a Board luncheon on Monday, February 23, 2009, beginning at 12:00 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Mike Eyster, President
Michael Dubick
Greg Evans
Gerry Gaydos
Dean Kortge
Ed Necker
Doris Towery
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Renee Jones, Recording Secretary

CALL TO ORDER/ROLL CALL – Board President Mike Eyster called the meeting to order and called the roll. Mr. Eyster noted that Ms. Towery would arrive shortly.

DIVERSITY TRAINING PROGRAM – Senior Human Resources Analyst David Collier described the Diversity Council in detail. He explained why the Council was developed, how and why it operates, and he highlighted the LTD Board's interest in making the Diversity Council a priority. Mr. Collier then outlined the presentation for the day and introduced the other members of the Council who were present: Stefano Viggiano, Hannah Bradford, Fred Pearson, and Doris Dioszeghy-Darcy.

Graphic Artist Hannah Bradford and Bus Operator Fred Pearson introduced the "Ouch!" video. Mr. Pearson related how the video was evaluated by employees at fall training. He said that for the most part, the feedback was positive and employees felt that it helped them to be more conscientious about what they say on a daily basis. Mr. Pearson related that the Fall Training of 2008 was referred to by some attendees as, "One of the best Fall Trainings ever."

Responding to a question from Gerry Gaydos, Assistant General Manager Stefano Viggiano explained how the District addressed institutional bias by sending out an internal survey in 2008. The survey was mailed to all employees with a request to send it back to Lockwood Research so that all responses would be kept confidential. The Diversity Council is hoping to do a follow-up survey in FY 2009-10.

Mark Pangborn described the fall trainings in detail to the Board. He then announced that the fall training had been cut for FY 2009-10 due to budget constraints. Mr. Pangborn is confident that the training can be brought back in Fall 2010.

Mr. Pangborn introduced Jason Nowlin of Funk/Levis & Associates who performed intercept interviews for the District. Mr. Nowlin presented the results in detail and provided a handout for the Board's review. He relayed that he interviewed 100 people from several different demographic groups, from many different local zip codes, and with a varying degree of ridership frequency. Mr. Nowlin indicated that overall the feedback was very positive. The two age groups that were most positive were teenagers and riders above age 80. Some interesting words that people used to describe the District were, "caring," "reliable," and "committed."

Mr. Eyster commended the Diversity Council for its work. Mr. Gaydos praised LTD's leadership staff for all that they do to keep the District looking so good in the community.

Ms. Towery arrived at 1:06 p.m.

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM – Mr. Pangborn introduced Purchasing Manager Jeanette Bailor and Facilities Services Manager Charlie Simmons and gave some background on the history of DBEs.

Responding to a question by Mr. Pangborn, Ms. Bailor explained that if there are no federal dollars used in a construction project, the District uses the lowest bidder process for determining who is awarded a contract. However, if there is any federal funding included, the District is required to use the DBE program and policy.

Ms. Bailor then referred to a document in the packet and explained the LTD Disadvantaged Business Enterprise Policy and Program and how LTD strives to reach the overall DBE goal, which is 3.63 percent of Federal Transit Administration (FTA) funded contracting activities, exclusive of FTA funds to be used for the purchase of transit vehicles. She then described the certification process and stated that in the State of Oregon, there are a total of 470 certified DBE firms, while in Lane County there are only 27. The process of becoming and remaining certified is quite complex, which could be why more firms aren't DBE certified.

Mr. Evans commented that he would like to see LTD continue to encourage contractors to become and stay certified as a DBE. Mr. Simmons then referred to the DBE plan from Wildish that was part of the pre-construction services that Wildish was required to submit to the District as part of its contract.

ITEMS FOR INFORMATION – On March 2 the special Board meeting/work session was originally scheduled for 5:30 p.m. Mr. Pangborn asked the Board members if they would like to start earlier and were able to do so. The Board agreed that starting at 4:30 p.m. would work well.

The March regular Board meeting that was originally scheduled for March 18 had recently been changed to March 25; Mr. Eyster asked the Board members if they were all right with moving that Board meeting to Tuesday, March 31. The Board agreed that would work for them.

ADJOURNMENT – Mr. Eyster adjourned the meeting at 1:35 p.m.

Board Secretary

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, August 20, 2008

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, August 20, 2008, at 5:30 p.m., was canceled for lack of agenda items requiring action.

Board Secretary

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: BULK FUEL PURCHASE

PREPARED BY: George Trauger, Director of Maintenance

ACTION REQUESTED: None. Informational only.

BACKGROUND: The extremely volatile and high fuel prices that occurred during the summer of 2008 prompted Lane Transit District to look into ways to secure a procurement process that could help offset this volatility. Long-term fuel contracts are risky since the premium paid to secure a guaranteed price is significant over a long period of time. The purchase and storage of bulk fuel with the current fuel supplier made good sense with a lesser degree of risk.

LTD and Tyree Oil have been developing an addendum to the current contract for an off-site fuel storage tank in Coos Bay, Oregon, and now have a working agreement. The tank has a fuel capacity of 800,000 gallons. The initial bulk fuel purchase amount will be 240,000 gallons of ultra low sulfur diesel. In the future, LTD may have the ability to purchase fuel in 120,000 gallon increments.

The following items are included in the agreement:

- Tank identification - Exclusive use of the tank for LTD fuel storage at Coos Bay.
- Fixed cost for transporting the fuel to and from the storage facility.
- Tank safety, inspection, Hazmat spills, etc., are the responsibilities of the owner.
- Monthly rental fee agreement on fuel volume weighted average.
- Fixed minimum volume monthly storage rental fee.
- Periodic fuel inventory measurements and audits by LTD personnel.
- American Petroleum institute (API) temperature correction language enabling accurate temperature adjusted measurements.
- Accurate recording of fuel deliveries to tank and to LTD.
- Procedures for emptying the tank at termination of bulk tank usage.

ATTACHMENT: None

PROPOSED MOTION: None.

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: BOARD CALENDARS

PREPARED BY: Jeanne Schapper, 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 for discussion at each Board meeting. Updated Board Activity Calendars are included with this packet for Board members.

Please contact Jeanne Schapper with any changes in your availability for LTD-related meetings and events, or to provide your spring and summer vacation dates.

ATTACHMENT: Board activity calendars are included separately for Board members.

PROPOSED MOTION: None



*Lane Transit District
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**CONSENT CALENDAR ITEM:
ODOT Discretionary Grant Allocation Revision**

March 31, 2009

Background:

In February 2009 the Board approved a prioritized list of projects and recommendations for funding for money that is available through the Oregon Public Transit Division's Older Adults and People with Disabilities Discretionary grant program. Since then, additional funding through the American Recovery and Reinvestment Act (ARRA) stimulus funding has been allocated for 5311 capital projects. The Public Transit Division has provided instructions to review and revise project lists and to submit applications for ARRA projects. The Accessible Transportation Advisory Committee (ATC) reviewed the project list and applied the priorities established through the Lane Coordinated Plan and recent grant solicitation deliberations to recommend an updated project list.

This is an overview of the information presented to and approved by the ATC:

Considerations for the allocation of ARRA money:

- Must be distributed through the FTA 5311 and meet all 5311 program requirements;
- Does not require local match;
- Available only to current 5311 formula recipients (in Lane County, that is LTD);
- Can only be used for capital projects and not for operational expenses;
- Allowable capital projects are vehicles, facilities, passenger shelters, preventive maintenance, equipment (computer/communications, security, signs, but not software) and new mobility management start-up projects;
- Projects must be identified in a local coordinated transportation plan;
- Projects must be assigned a local priority ranking;
- Projects must be ready to begin purchase process using recently established state price agreements, or work must be ready to start as soon as possible; and
- Stringent reporting requirements will apply.

The ARRA funded projects recommended for funding in order of priority are:

Project Description	Amount
Vehicle Preventive Maintenance – Florence (1) and South Lane (10) vehicles	\$35,277
Vehicle Replacement – Florence (1) Small bus and South Lane (1) Modified Minivan	\$113,000
New Vehicle – South Lane Wheels (1)	\$111,656
TOTAL	\$259,933

Attached is a copy of the revised recommended project list for the Older Adults and People with Disabilities Discretionary Grant program based on ODOT's approval of the abovementioned ARRA projects. Refer to "Project Ranking and Grant Amount – Revised Worksheet with ARRA Funding." These are the adjustments made to the list:

- Re-allocate the amounts of \$2,154 and \$2,738, respectively, which were reduced from the original White Bird Clinic and Pearl Buck Center grant requests.
- Re-allocate the amount to replace one additional RideSource vehicle -- increasing the replacement from 11 to 12 vehicles.
- Offer remaining funding to partially fund a replacement vehicle for Willamalane Adult Activity Center.

Attachments:

- (1) Project Ranking and Grant Amounts: Revised Worksheet with ARRA Funding

Recommended Action:

The Accessible Transportation Advisory Committee recommends that the LTD Board approve the ODOT Discretionary Grant Revised Allocation based on the availability of FTA Section 5311 ARRA Funding as described.

Older Adults and People with Disabilities Program

Rank	Agency	Project Description	Original Grant Allocation	Revised Grant Allocation	Change	FTA \$5310	State STF	FTA \$5311 ARRA
					+ or -			
1	Special Mobility Services, Inc.	SMS Vehicle Preventive Maintenance	181,334	149,680	(31,654)	149,680	0	0
		5311 - Rural Vehicle Prev. Maintenance	0	35,277	35,277	0	0	35,277
		Vehicle PM Project Subtotal	\$181,334	\$184,957	3,623	\$149,680	\$0	\$35,277
2.1	Special Mobility Services, Inc.	Vehicle Replacement - 12 RideSource	661,310	721,429	60,119	721,429	0	
2.2	River Cities Taxi	Vehicle Replacement - 1 Florence	60,119	68,000	7,881	0	0	68,000
2.3	South Lane Wheels	Vehicle Replacement - 1 Cottage Grove	0	45,000	45,000	0	0	45,000
		Vehicle Replacement Project Subtotal	\$721,429	\$834,429	113,000	\$721,429	\$0	\$113,000
3	LCOG Sr & Disabled Svs	Non-Medical Transportation for Medicaid Recipients (matching grant)	51,942	51,942	0	0	51,942	0
4	LCOG Sr & Disabled Svs	Volunteer Escort	126,612	126,612	0	126,612	0	0
5	White Bird Clinic	Mental Health & Homeless Transportation Services	72,846	75,000	2,154	0	75,000	0
6	Pearl Buck Center, Inc.	Pre-School Transportation Services	92,528	95,266	2,738	63,874	31,392	0
7	South Lane Wheels	South Lane - Public Transportation Operations	12,226	12,226	0	0	12,226	0
8	St. Vincent De Paul Society	Replacement Vehicle	31,406	31,406	0	0	31,406	0
9	Willamalane Senior Center	Replacement Vehicle	0	26,762	26,762	26,762	0	0
10	South Lane Wheels	Route-Around Town - New Vehicle	0	111,656	111,656	0	0	111,656
11	South Lane Wheels	Route-Around Town - Operations Expansion	0	0	0	0	0	0
12	South Lane Wheels	Mobility Management Project	0	0	0	0	0	0
13	South Lane Wheels	Route-Around-Town Bus Stop Signs	0	0	0	0	0	0
		Other Project Total	\$387,560	\$530,870	\$143,310	\$217,248	\$201,966	\$111,656
		TOTALS	1,290,323	\$1,550,256	\$259,933	\$1,088,357	\$201,966	\$259,933
		<i>Total Available Funding</i>	1,290,323	\$1,550,256	\$259,933	\$1,088,357	\$201,966	\$259,933

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: CONSENT CALENDAR

PREPARED BY: Jeanne Schapper, 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 March 31, 2009:

1. Approval of the Minutes of the August 20, 2008, Canceled Regular Board Meeting
2. Approval of the Minutes of the December 5, 2008, Special Board Meeting/Strategic Planning Work Session
3. Approval of the Minutes of the January 21, 2009, Regular Board Meeting
4. Approval of the Minutes of the February 23, 2009, Special Board Meeting/Luncheon
5. Approval of the Discretionary Grant Allocations Revision

ATTACHMENT:

1. Minutes of the August 20, 2008, Canceled Regular Board Meeting
2. Minutes of the December 5, 2008, Special Board Meeting/Strategic Planning Work Session
3. Minutes of the January 21, 2009, Regular Board Meeting
4. Minutes of the February 23, 2009, Special Board Meeting/Luncheon
5. Discretionary Grant Allocations Revision and Worksheet

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

LTD Resolution No. 2009-009: It is hereby resolved that the Consent Calendar for March 31, 2009, is approved as presented.

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: CONTESTED CASE HEARING PROCEDURE

PREPARED BY: Mark Johnson, Director of Transit Operations

ACTION REQUESTED: Approve Contested Case Hearing Procedure

BACKGROUND: Ordinance 36 mentions a contested case hearing that addresses customers who have been denied transportation on the LTD system. There has never been a process developed that specifically outlines in writing the options for those who are denied ridership privileges and the steps necessary to reinstate those privileges. Staff have developed a process that has worked, but recent issues brought to light a gap in the process. This led staff to take a look at the language in the Ordinance and consult with legal counsel in order to develop a written procedure that can be accessed by those who are denied. The procedure is outlined in the attachment.

ATTACHMENT: Contested Case Hearing Procedure

RESULTS OF RECOMMENDED ACTION: Approval of the resolution adopting the contested case hearing process.

PROPOSED MOTION: I move approval of LTD Resolution No. 2009-008, adopting the Contested Case Hearing Procedure, which provides procedures for reviewing and/or appealing a Notice of Exclusion issued pursuant to LTD Ordinance 36, as outlined in the Resolution.

**LANE TRANSIT DISTRICT
RESOLUTION NO. 2009-008**

CONTESTED CASE HEARING PROCEDURE

WHEREAS, the Lane Transit District (LTD) Board of Directors by this resolution desires to provide procedures for reviewing and/or appealing a Notice of Exclusion issued pursuant to LTD Ordinance 36. This Contested Case Hearing Procedure shall only apply to administrative reviews of exclusions and appeals of exclusions issued pursuant to LTD Ordinance 36. Any capitalized term not defined in this resolution shall have the meaning set forth in LTD Ordinance 36.

SECTION I. ADMINISTRATIVE REVIEW OF EXCLUSION.

1) Request for Administrative Review. Any person receiving a Notice of Exclusion may request an administrative review of the exclusion by contacting the Exclusion Review Officer at any time within 10 days of the issuance of the Notice of Exclusion. A person who received a Notice of Exclusion and made timely request for an administrative review of that Notice of Exclusion shall be entitled to an administrative review as set forth herein.

2) Scheduling of Administrative Review. The administrative review will be conducted in person as soon as reasonably practicable to accommodate the schedules of the excluded person and the Exclusion Review Officer. At the election of the Exclusion Review Officer, the administrative review may be conducted by telephone. In all cases where an administrative review has been timely requested, the review shall be conducted prior to the appeal hearing, if any.

3) Appointment of Exclusion Review Officer. All administrative reviews shall be conducted by the Exclusion Review Officer. The Exclusion Review Officer shall be the District's Security Manager or such other person as is designated by the General Manager in writing.

4) Purpose of Administrative Review. The purpose of the administrative review is to offer the excluded person an opportunity to have the Notice of Exclusion reviewed in an expeditious and informal process and to determine under what conditions the excluded person would be allowed to resume using the District Transit System. An administrative review is optional and is not a prerequisite to an appeal of a Notice of Exclusion. The validity of an exclusion may only be challenged through an appeal of the Notice of Exclusion and not through an administrative review.

5) Conduct of the Administrative Review.

(a) The excluded person shall represent himself or herself at the review, unless the excluded person is a minor or is otherwise incapable of representing himself or herself due to physical or mental disability or impairment, in which case the excluded person may be represented by a person designated by the excluded person as his or her personal representative and mutually agreed to by the Exclusion Review Officer.

(b) Upon conclusion of the review, the Exclusion Review Officer shall in his/her discretion either i) uphold the exclusion in accordance with the terms of the Notice of Exclusion; ii) modify the exclusion, or iii) terminate the exclusion.

(c) During the administrative review process, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance.

6) Effect of a Failure to Request Administrative Review. If an excluded person fails to request an administrative review as set forth herein, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or appeal.

7) Effect of Failure to Attend an Administrative Review. If an excluded person fails to appear at an administrative review, the review proceeding shall be dismissed and the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or appeal.

8) Effect of an Administrative Review on an Appeal. An administrative review shall have no effect on the excluded person's right to appeal the exclusion; provided, however that a decision by the Exclusion Review Officer to terminate an exclusion will result in the automatic dismissal of any appeal. An administrative review does not toll the ten (10) day period to appeal an exclusion as set forth in Section II, Subsection 1 below.

SECTION II. APPEAL OF EXCLUSION.

1) Request for Hearing. Any person receiving a Notice of Exclusion may appeal the exclusion in writing to the District's General Manager or General Manager's designee. Such appeal must be delivered to the District General Manager or General Manager's designee within ten (10) days of receipt of the Notice of Exclusion. A person who received a Notice of Exclusion and made timely written appeal of that Notice of Exclusion to the District General Manager or General Manager's designee shall be entitled to a hearing as set forth herein.

2) Scheduling of Hearing. Upon receipt of a valid appeal, LTD shall schedule a hearing. The hearing shall be scheduled no sooner than five (5) business days and no later than fifteen (15) business days after the receipt of the appeal unless a hearing within the timeframe set forth above is not practicable, in which case a hearing shall be scheduled for as soon as reasonably practicable. Written notice of the hearing shall be given to the excluded person (the "appellant"). The notice shall give the time and location of the hearing and a copy of this resolution.

3) Appointment of the Hearing's Officer. All appeals shall be heard by the Hearing's Officer. The Hearing's Officer shall be the Assistant General Manager of the District or such other person as is designated by the General Manager in writing.

4) Purpose of Hearing. The purpose of the hearing shall be to determine whether or not the exclusion issued pursuant to the Notice of Exclusion is valid. The exclusion shall be found to be valid if:

(a) The conduct which is the basis for issuance of the Notice of Exclusion was conduct for which a person may be excluded pursuant to LTD Ordinance 36, Section 1.20;

(b) It is more probable than not that the excluded individual engaged in the conduct justifying an exclusion under LTD Ordinance 36, Section 1.20;

(c) The Notice of Exclusion was not otherwise prohibited by applicable law.

5) Conduct of the Hearing.

(a) The appellant shall appear at the hearing in person. The appellant may, but is not required to, have legal counsel. If the appellant does not have legal counsel, the appellant shall represent himself or herself at the hearing, unless the appellant is a minor or is otherwise incapable of representing himself or herself due to physical or mental disability or impairment in which case the appellant may be represented by a person designated by the excluded person as his or her personal representative and mutually agreed upon by the Hearing's Officer.

(b) The appellant shall have the burden of proving that the exclusion is invalid.

(c) Evidence shall be limited to that which goes to prove or disprove the validity of the exclusion. The Hearing's Officer may rely upon any relevant evidence that a reasonable person would rely upon in making an important decision or conducting personal business.

(d) Upon conclusion of the hearing, the Hearing's Officer shall either i) deny the appeal and uphold the exclusion as valid with such modifications, if any, that the Hearing's Officer deems appropriate, or ii) grant the appeal and vacate the exclusion as invalid.

(e) During the appeal process, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

6) Effect of a Failure to Appeal. If an excluded person fails to appeal a Notice of Exclusion as set forth herein, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

7) Effect of Failure to Attend a Hearing. If an excluded person fails to appear at a scheduled hearing, the appeal proceeding shall be dismissed and the Notice of Exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

8) Affect on Appeal Requested Prior to Adoption of Resolution. If a person has been issued a Notice of Exclusion prior to the adoption of this resolution and has requested an appeal but has not yet had a hearing, that person shall be entitled to a hearing as set forth herein upon adoption of this resolution. For purposes of scheduling a hearing, the appeal shall be deemed received upon adoption of this resolution.

SECTION III. MISCELLANEOUS

1) Request for Variance of Exclusion. At any time during the period of exclusion, a person who has received a Notice of Exclusion may apply to the District General Manager or designee for a variance to allow the person to enter upon the District Transit System pursuant to LTD Ordinance 36, Section 1.20(3).

2) Prorated Refund for Paid Pass. Any person who purchased a pass directly from the District and received a Notice of Exclusion shall be entitled to a prorated refund of the purchase price

for the unused portion of the pass by presenting the Notice of Exclusion and surrendering the pass to the District's customer service office within 10 days of receiving the Notice of Exclusion. No refunds shall be given for tokens, free passes or group passes.

3) Construction. Nothing herein is intended to compromise or waive the right to enforce concurrently, or in the alternative, other remedies available pursuant to LTD Ordinance 36 or the Oregon Criminal Codes.

Effective Date: This resolution shall be effective immediately upon adoption.

Adopted: _____, 2009

Board President

Q:\Reference\Board Packet\2009\03\Special Meeting 3-31-09\Contested Case Procedures (Exclusion Review) 03-13-09.doc

**LANE TRANSIT DISTRICT
RESOLUTION**

CONTESTED CASE HEARING PROCEDURE

WHEREAS, the Lane Transit District (LTD) Board of Directors by this resolution desires to provide procedures for reviewing and/or appealing a Notice of Exclusion issued pursuant to LTD Ordinance 36. This Contested Case Hearing Procedure shall only apply to administrative reviews of exclusions and appeals of exclusions issued pursuant to LTD Ordinance 36. Any capitalized term not defined in this resolution shall have the meaning set forth in LTD Ordinance 36.

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2) Scheduling of Administrative Review. The administrative review will be conducted in person as soon as reasonably practicable to accommodate the schedules of the excluded person and the Exclusion Review Officer. At the election of the Exclusion Review Officer, the administrative review may be **conducted by phone**. In all cases where an administrative review has been timely requested, the review shall be conducted prior to the appeal hearing, if any.

3) Appointment of Exclusion Review Officer. All administrative reviews shall be conducted by the Exclusion Review Officer. The Exclusion Review Officer shall be the District's Security Manager or such other person as is designated by the General Manager in writing.

4) Purpose of Administrative Review. The purpose of the administrative review is to offer the excluded person an opportunity to have the Notice of Exclusion reviewed in an expeditious and informal process and to determine under what conditions the excluded person would be allowed to resume using the District Transit System. An administrative review is optional and is not a prerequisite to an appeal of a Notice of Exclusion. The validity of an exclusion may only be challenged through an appeal of the Notice of Exclusion and not through an administrative review.

5) Conduct of the Administrative Review.

(a) ~~The excluded person shall appear at the review in person.~~ The excluded person shall represent himself or herself at the review, unless the **excluded person is a minor or is otherwise incapable of representing himself or herself due to physical or mental disability or impairment, in which case the excluded person may be represented by a person designated by the excluded person as his or her personal representative and mutually agreed to by the Exclusion Review Officer.**

(b) Upon conclusion of the review, the Exclusion Review Officer shall in his/her discretion either i) uphold the exclusion in accordance with the terms of the Notice of Exclusion; ii) modify the exclusion, or iii) terminate the exclusion.

(c) During the administrative review process, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance.

6) Effect of a Failure to Request Administrative Review. If an excluded person fails to request an administrative review as set forth herein, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or appeal.

7) Effect of Failure to Attend an Administrative Review. If an excluded person fails to appear at an administrative review, the review proceeding shall be dismissed and the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or appeal.

8) Effect of an Administrative Review on an Appeal. An administrative review shall have no effect on the excluded person's right to appeal the exclusion; provided, however that a decision by the Exclusion Review Officer to terminate an exclusion will result in the automatic dismissal of any appeal. An administrative review does not toll the ten (10) day period to appeal an exclusion as set forth in Section II, Subsection 1 below.

SECTION II. APPEAL OF EXCLUSION.

1) Request for Hearing. Any person receiving a Notice of Exclusion may appeal the exclusion in writing to the District's General Manager or General Manager's designee. Such appeal must be delivered to the District General Manager or General Manager's designee within ten (10) days of receipt of the Notice of Exclusion. A person who received a Notice of Exclusion and made timely written appeal of that Notice of Exclusion to the District General Manager or General Manager's designee shall be entitled to a hearing as set forth herein.

2) Scheduling of Hearing. Upon receipt of a valid appeal, LTD shall schedule a hearing. The hearing shall be scheduled no sooner than five (5) business days and no later than fifteen (15) business days after the receipt of the appeal unless a hearing within the timeframe set forth above is not practicable, in which case a hearing shall be scheduled for as soon as reasonably practicable. Written notice of the hearing shall be given to the excluded person (the "appellant"). The notice shall give the time and location of the hearing and a copy of this resolution.

3) Appointment of the Hearing's Officer. All appeals shall be heard by the Hearing's Officer. The Hearing's Officer shall be the Assistant General Manager of the District or such other person as is designated by the General Manager in writing.

4) Purpose of Hearing. The purpose of the hearing shall be to determine whether or not the exclusion issued pursuant to the Notice of Exclusion is valid. The exclusion shall be found to be valid if:

(a) The conduct which is the basis for issuance of the Notice of Exclusion was conduct for which a person may be excluded pursuant to LTD Ordinance 36, Section 1.20;

(b) It is more probable than not that the excluded individual engaged in the conduct justifying an exclusion under LTD Ordinance 36, Section 1.20;

(c) The Notice of Exclusion was not otherwise prohibited by applicable law.

5) Conduct of the Hearing.

(a) The appellant shall appear at the hearing in person. The appellant may, but is not required to, have legal counsel. If the appellant does not have legal counsel, the appellant shall represent himself or herself at the hearing, unless the appellant is a minor or is otherwise incapable of representing himself or herself due to physical or mental disability or impairment in which case the appellant may be represented by a person designated by the excluded person as his or her personal representative and mutually agreed upon by the Hearing's Officer.

(b) The appellant shall have the burden of proving that the exclusion is invalid.

(c) Evidence shall be limited to that which goes to prove or disprove the validity of the exclusion. The Hearing's Officer may rely upon any relevant evidence that a reasonable person would rely upon in making an important decision or conducting personal business.

(d) Upon conclusion of the hearing, the Hearing's Officer shall either i) deny the appeal and uphold the exclusion as valid with such modifications, if any, that the Hearing's Officer deems appropriate, or ii) grant the appeal and vacate the exclusion as invalid.

(e) During the appeal process, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

6) Effect of a Failure to Appeal. If an excluded person fails to appeal a Notice of Exclusion as set forth herein, the exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

7) Effect of Failure to Attend a Hearing. If an excluded person fails to appear at a scheduled hearing, the appeal proceeding shall be dismissed and the Notice of Exclusion shall remain in effect in accordance with the terms of the Notice of Exclusion except as otherwise modified by a variance or administrative review.

8) Affect on Appeal Requested Prior to Adoption of Resolution. If a person has been issued a Notice of Exclusion prior to the adoption of this resolution and has requested an appeal but has not yet had a hearing, that person shall be entitled to a hearing as set forth herein upon adoption of this resolution. For purposes of scheduling a hearing, the appeal shall be deemed received upon adoption of this resolution.

SECTION III. MISCELLANEOUS

1) Request for Variance of Exclusion. At any time during the period of exclusion, a person who has received a Notice of Exclusion may apply to the District General Manager or designee for a variance to allow the person to enter upon the District Transit System pursuant to LTD Ordinance 36, Section 1.20(3).

2) Prorated Refund for Paid Pass. Any person who purchased a pass directly from the District and received a Notice of Exclusion shall be entitled to a prorated refund of the purchase price for the unused portion of the pass by presenting the Notice of Exclusion and surrendering the pass to the District's customer service office within 10 days of receiving the Notice of Exclusion. No refunds shall be given for tokens, free passes or group passes.

3) **Construction.** Nothing herein is intended to compromise or waive the right to enforce concurrently, or in the alternative, other remedies available pursuant to LTD Ordinance 36 or the Oregon Criminal Codes.

Effective Date: This resolution shall be effective immediately upon adoption.

Adopted: _____, 2009

Board President

Q:\Reference\Board Packet\2009\03\Special Meeting 3-31-09\Contested Case Procedures (Exclusion Review) 03-13-09.doc

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: COMMUTER SOLUTIONS PROGRAM ANNUAL REPORT

PREPARED BY: Tom Schwetz, Director of Planning and Development

ACTION REQUESTED: None

BACKGROUND: Commuter Solutions Program staff continue to be active in local metropolitan planning issues, statewide transportation options coordination efforts, and in providing transportation programs and services to the community. Staff will review activities, accomplishments, and changes that have occurred during the last year.

The Commuter Solutions Program supplies the region with transportation management strategies that are endorsed and coordinated with local and state agencies. Programs and services implementing these strategies are offered to businesses, agencies, educational institutions, and individuals. The most common transportation management strategies include transit, carpool, vanpool, telecommuting, and the promotion of biking and walking. These strategies are designed as a means to limit the growth of vehicle miles traveled and the number of single-occupant vehicles on the road and street system.

The positive growth rate in the number of businesses that have taken advantage of Commuter Solutions services illustrates its success in helping manage many of the region's transportation challenges and proves that transportation benefit programs are a good business choice. The Group Pass Program and the Student Transit Pass Program are good examples of the growth in Commuter Solutions services.

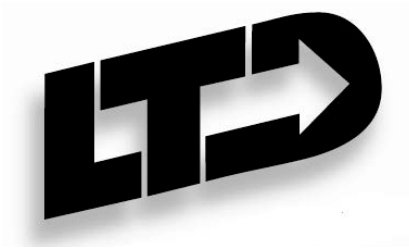
Commuter Solutions is an integral part of regional transportation planning and, as such, will continue to play an important role in providing choices for citizens and creating innovative, community-based programs to help manage the growth in automobile travel in this region.

ATTACHMENTS: None

PROPOSED MOTION: None

AGENDA ITEM SUMMARY

- DATE OF MEETING:** March 31, 2009
- ITEM TITLE:** LTD RETIREMENT PLAN PROPOSAL
- PREPARED BY:** Mary Adams, Director of Human Resources and Risk Management
- ACTION REQUESTED:** Adopt the proposed modifications to LTD's 457(b) and 401(a) Retirement Plans
- BACKGROUND:** Part of LTD's retirement structure includes a Voluntary Deferred Compensation Plan (authorized under IRS Section 457(b)). This plan is offered to all LTD employees. Employees choose between AIG-Valic and The Hartford for this benefit. Money is contributed tax free from the employee's pay, and employees make investment decisions from a list of investment options. This voluntary investment vehicle is offered as an enhancement to the District-paid defined benefit plans.
- In addition, as part of the LTD Salaried Employees' Retirement Plan, administrative employees have a 401(a) plan. This benefit functions much like the 401(k) plans used by private businesses. Managed solely by AIG-Valic, employees have the same investment options as with the Deferred Compensation Plan.
- At the request of LTD's Deferred Compensation Advisory Committee, AIG-Valic has proposed an enhancement to the 401(a) and 457(b) plans that is designed to reduce fees and increase the potential for investment returns for both plans. Plan amendments of this type require adoption by LTD's Board of Directors.
- ATTACHMENTS:** Executive Summary: LTD Retirement Plan Proposal
- RESULTS OF RECOMMENDED ACTION:** Approval of these plan amendments will reduce investment fees and enhance the potential for investment returns to LTD plan participants.
- PROPOSED MOTION:** I move approval of LTD Resolution No. 2009-010, adopting the proposed modifications to LTD's 457(b) and 401(a) Retirement Plans, as described in the Executive Summary presented by AIG-Valic.



Lane Transit District
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MONTHLY DEPARTMENT REPORTS

March 31, 2009

PLANNING AND DEVELOPMENT

Tom Schwetz, Director of Planning and Development

PROJECT DEVELOPMENT

West Eugene EmX Extension (WEEE):

LTD staff held special meetings with the City of Eugene's Planning Department and Parks and Open Space Department to determine suitable designs for the Amazon Alignment for restoration, rehabilitation, recreation, and WEEE project purposes.

In preparing the Alternatives Analysis and Draft Environmental Impact Statement (AA/DEIS), LTD staff are working to inform and respond to questions from the WEEE Corridor Committee members about each of the environmental disciplines addressed in the environmental review process. At the most recent Corridor Committee meeting, staff reviewed potential project impacts and needs assessments related to "special resources," which include:

- Parks and Recreation Areas
- Historic, Archaeological, and Cultural Resources
- Section 4(f) of the Department of Transportation Act
- Section 6(f) of the Land and Water Conservation Fund (LWCF) Act

Section 4(f) and Section 6(f) present high standards for protection of "special resources." These requirements pertain to all historic sites, publicly owned parks, recreational areas, and wildlife and waterfowl refuge open spaces, recreation areas under Section 4(f), and all conservation park and recreation areas protected under LWCF. Along the Amazon Alignment, these special areas are of particular concern to LTD and City staff. If the project requires use of such land, it could only be approved if there is no prudent and feasible alternative to using that land and if the project includes all possible planning to minimize harm to land or resources.

The project schedule has been updated to reflect more time needed for Travel Demand Forecasting (TDF). It will be at least nine months before the environmental analysis of alternatives is complete and a DEIS is ready for public review. Following public review of the DEIS in early 2010, the Eugene City Council, the LTD Board of Directors, and the Metropolitan Policy Committee will begin the process of selecting a Locally Preferred Alternative (LPA). Final selection of the LPA is anticipated to occur in Spring 2010.

Other:

The Planning and Development staff submitted a Transportation Growth Management (TGM) grant application for the development of a long-range transit plan that can be used to coordinate efforts with local jurisdictions in their respective long-range planning documents (including Transportation System Plans (TSPs) and the Regional Transportation Plan).

COMMUTER SOLUTIONS

Connie B. Williams, Program Manager

Program Management:

Tracy Smith and Marcia Maffei attended the Statewide Transportation Options working group's quarterly meeting in Corvallis. Connie has been working on the FY 09-10 budget with the Transportation Options Advisory Committee's Budget Subcommittee.

Commuter Solutions has been undergoing an "identity audit" and a new branding process. Based on research, "Point 2 Point Solutions" was chosen as the new name. Staff are currently in the process of choosing a new logo. A public information/outreach campaign will be planned when the logo and naming process are complete.

Group Pass Program:

Work continues on the Comprehensive Group Pass Research project. The total sample report is done, and individual company reports are near completion. Staff will bring a report to the Board for information and discussion in the near future.

Carpool/Vanpool/Emergency Ride Home Program (ERH):

Ten commuters were added to the Rideshare database in February. There are a total of 676 commuters registered in the database. Work is underway to set up the Vanpool Subsidy Funds for ongoing vanpool support. This effort is funded by revenues traced to vanpool miles reported to the National Transit Database.

Connie and Tracy met with Herb Horner of the University of Oregon (UO) to discuss promotion and management of carpool efforts for the UO faculty, staff, and students.

Park & Ride:

Park & Ride users have been notified that the Lane County Fairgrounds lot is no longer available as an LTD Park & Ride, and a new Park & Ride has been established at the Eugene Faith Center. There are approximately 10 – 15 daily users of the Eugene Faith Center Park & Ride lot.

New signs have been posted for the St. Matthews Episcopal Church Park & Ride lot on River Road.

Bike loops have been installed next to the LTD bus shelter at the Creswell City Hall Park & Ride.

Smart Ways to School and Student Transit Pass Program:

Lisa Van Winkle chaired the Oregon Safe Routes to School Advisory Committee during a meeting that was scheduled with the purpose of guiding the grant application process for the remaining infrastructure and non-infrastructure funds that total about \$3 million. The application deadline is set for June 15, 2009. It is anticipated that several Eugene area schools will apply for funds.

Lisa staffed the Smart Ways to School booth during the Eugene Walk and Bike Summit. She also assisted Shane Rhodes, Eugene 4J Safe Routes to School coordinator, with a Safe Routes to School break-out session for Summit participants.

Smart Ways to School is conducting another study of Student Transit Pass Program usage for documentation to the Oregon Department of Energy. Tallies show that students represent more than 7,000 LTD boardings per weekday and nearly 2,000 boardings per day on weekends.

CAPITAL PROJECTS

Charlie Simmons, Facilities Services Manager

Gateway EmX:

The design team has incorporated the City's final comments on construction drawings, and LTD has received an approved public improvement permit.

LTD has signed a Construction Management/General Contractor (CM/GC) contract with Wildish Building Company for \$19,300,000 (guaranteed maximum price) for the construction of the Pioneer Parkway segment of the Gateway EmX Extension. Construction has started on the Pioneer Parkway with the felling of the trees (approximately 286) within the project's boundaries. Wildish is finalizing the bid packages for the 90 percent of the work that is out to bid to sub-contractors. The target is a mid-April bid opening. Site work is expected to be in full swing by the first of May.

Wildish, the general contractor for International Way segment of Gateway EmX, is scheduled to begin the work on or about May 15.

Gateway Station:

Painting has begun on the covered walkway from the station platform to the mall entrance. Curbs and the steel structure on the platform are complete, and paving within the platform area will begin soon. Work on the remaining traffic signal work will continue as weather permits. The facility should be operating by late May 2009.

**SERVICE PLANNING, ACCESSIBILITY,
AND MARKETING**

Andy Vobora, Director of Service Planning, Accessibility, and Marketing

Service:

The summer bid run cut is complete. Staff are finalizing work on the 3 percent service reduction package.

Event service planning is underway. The Eugene Marathon is coming up on Sunday, May 3. A staff team is evaluating the role that LTD may play in coordinating bus service for the Thursday night Civil War football game. This service will be very difficult to manage, and the community is likely to feel some pain from the traffic congestion that will occur. Effects will be broad and will include LTD's regular bus service, which will get bogged down in traffic. Specifics of a contract to provide oversight have yet to be determined, and there still is a question about LTD's role in managing the private carriers who will provide the service.

LTD is discussing sponsorships with the Oregon Country Fair (OCF). OCF doesn't sell sponsorships; however, they feel that LTD's provision of service and OCF's promotion of this service warrants sponsorship dollars. LTD will evaluate the opportunities OCF is offering in comparison to other sponsorships provided by event providers, and a decision will be made based on the reduced funding that the Marketing Department has available this year.

LTD is participating on the local organizing committee for the International Maxibasketball Federation (FIMBA) Pan American Maxibasketball Tournament in the summer of 2010. This is the first time this masters-level basketball tournament will be held in North America. Twelve hundred (1,200) participants and an equal or larger number of guests will accompany the teams. Games will be held at the Regional Sports Center in Springfield and the Hilton Hotel is

the main hotel for the event. LTD staff will assist participants with using the regular LTD bus system to get to and from activities. It is likely that additional shuttles will be needed to move this volume of participants. The event organizers need to budget for the shuttle service, so a sponsor will need to be secured.

The USA Track and Field national meet will be held in Eugene in June. First Student Charter Bus Rental expressed interest in providing service to this event; therefore, LTD will not be providing service for the athletes and spectators.

LTD has provided Congressman DeFazio with comments on possible charter rule changes. The Congressman expressed interest in how LTD would view changes to the revised rules and how these rule changes would benefit transit properties. The comments modify the rules in a way that maintains relationships with area private providers, while streamlining some of the requirements that made their way into the revised rules that were issued in 2008.

Media:

It has been a busy month. Below is a list of story topics and who covered the stories.

3/2/09	Service reduction changes	The Register-Guard
3/3/09	Service reduction changes	KLCC
3/3/09	Gateway EmX - Trees	The Register-Guard
3/5/09	Gateway EmX - Trees	KMTR
3/5/09	Project Homeless Connect service	The Register-Guard
3/9/09	RideSource Accident	RG, 3 networks
3/11/09	County homeless shelter	Emerald video report
3/13/09	Gateway EmX - Trees	KVAL
3/18/09	Gateway EmX - Trees	The Register-Guard editorial

Outreach:

LTD’s Facebook fan page now has more than 200 fans, and efforts to spread the word about this communication tool continue. Andy presented information to the Junction City Chamber of Commerce Board of Directors. The primary message included the work at the legislature and the potential changes to the payroll tax. Staff also went back to both the Springfield and Eugene Chamber of Commerce government issues committees to discuss support of LTD’s state legislative efforts.

Use of the *Keeping Us Connected* advocacy piece will be expanded to leverage the great support from some recognizable stakeholders. Eugene Mayor Kitty Piercy, PeaceHealth CEO Mel Pyne, and Springfield School Superintendent Nancy Golden have agreed to be featured in other publications, including LTD’s Web page, Facebook, *Bus Talk*, *Inside Lane*, and on exterior bus ads. Staff hope to expand this list to include others and to encourage the community to get involved in supporting LTD’s efforts.

Marketing Representative Cosette Rees represented LTD at the Springfield Chamber of Commerce Business Fair and also will do so at the Junction City Chamber of Commerce Business Fair in late March. Cosette and other LTD staff participated in the Neighborhood Leaders event at the Lane County Fairgrounds.

LTD is a sponsor of the Latino Family Conference event that will be held on Saturday, April 4, at Springfield High School.

Planning is underway for the Earth Day event on Saturday, April 18, at the EWEB Plaza. LTD will have a standard booth at the event and also will furnish a free shuttle that will provide service between the Eugene Station, Saturday Market, and EWEB. Board members are encouraged to stop in.

ACCESSIBLE SERVICES

Terry Parker, Accessible Services Manager

Staff finalized the Oregon Department of Transportation Discretionary Grant process and submitted an application to Public Transit Division for Lane County projects as approved by the Board at its February 18, 2009, meeting. Due to the receipt of additional funding through the American Recovery and Reinvestment Act (ARRA) stimulus funds for rural capital projects, a revised project list will be submitted. More information about the reallocation of Discretionary Grant funds and ARRA allocations will be available in the Board Consent Calendar agenda materials for the March 31, 2009, Board meeting.

TRANSIT OPERATIONS

Mark Johnson, Director of Transit Operations

Chamber Of Commerce Day at the Capitol:

Mark Johnson participated in the Chamber of Commerce day at the Capitol in Salem as a representative of the Eugene Chamber of Commerce. The Eugene Chamber voted to back legislative bills that supported LTD efforts, including a tobacco tax increase designated for senior and disabled transportation, \$30,000,000 in lottery bonds to fund West Eugene EmX, and the accelerated increase in the payroll tax.

Relief Among Bus Operators:

Several bus operators voiced their relief that the major service reductions were averted for this year, saving their jobs. They passed along their thanks to the Board for its decision and understand that it is a year-by-year consideration in this economy, but they are glad to be employed.

MAINTENANCE

George Trauger, Director of Maintenance

SR 1283 (Emx) Production Schedule:

Maintenance staff are working on scheduling inspector(s) for Winnipeg and Crookston production lines, beginning approximately mid-May.

Fuel Storage Contract:

LTD and Tyree Oil representatives are finalizing the wording in the fuel contract. All parties are hopeful that fuel will be moving to the storage facility sometime during the next couple of weeks.

Lift Lockout Override:

The override safety switch materials have been received and are now ready to be installed in all 100-, 150-, and 250-series high-floor buses. Installation will take about one week.

Parts Inventory:

The yearly inventory is scheduled for the week of April 20 and will take two-three days to complete.

Training:

The New Flyer training has been rescheduled to May 4-7.

A journey mechanic successfully completed the electrical class at Lane Community College on March 9-12.

Another journey mechanic recently received his air conditioning certification. Ninety-eight percent of the journey mechanics are now certified to work on air conditioning units.

Two maintenance supervisors and the inventory supervisor will attend the yearly WSTA (Washington State Transit Association) Maintenance Forum on April 6-8 at Shelton, Washington. This forum provides excellent networking and problem-solving opportunities for transit agencies' staff in the Northwest.

StarTrans Facility Visit:

On March 17, the maintenance director and a maintenance supervisor, along with representatives from RideSource, toured the Salem StarTrans facility. This company is a manufacturer of buses typically used by the paratransit industry.

FINANCE AND INFORMATION TECHNOLOGY

Diane Hellekson, Director of Finance and Information Technology

FINANCE

Todd Lipkin, Financial Services Manager

Budget Preparation:

- Department directors have input their materials and services estimates for FY 2008-09 and requests for FY 2009-10. These figures reflected the reductions that were identified during the Leadership Council strategic work session and discussed at the Board strategic work session.
- Projections for the Long-Range Financial Plan and the Capital Improvements Program were developed.
- The citizen budget briefing was held on February 24.
- Materials were developed for the Board work session on March 2.

Grants Management:

- The grant application for Commuter Solutions funding for federal FY 2009 was submitted to the Federal Transit Administration on February 18 (and subsequently executed on March 16).
- The legal issues revolving around the change in vendor for the National Transit Database (NTD) report were resolved. The NTD report is a required submittal for all

recipients of Urbanized Area Formula Funds (5307). It consists of financial, service, and asset reporting elements. The projected due date for submittal of LTD's report (originally due October 30, 2008) is April 30. Notification of the actual due date from the NTD is expected before the end of March.

Payroll Processing:

- Sixty-one (61) payroll checks and 609 payroll direct deposits totaling \$871,174 were made in February 2009 (two pay dates).

Accounts Payable:

- Two hundred eighty-one (281) vendor paper and electronic checks totaling \$2,741,927 were processed during the month of February 2009.

ACCOUNTING/INTERNAL AUDIT

Carol James, Chief Accountant/Internal Auditor

Accounting:

The January Board Report was completed. Assistance was provided in securing a consultant to update the cost allocation model for the RideSource Call Center.

Internal Audit:

Staff continued the review of information from the State Department of Revenue (DOR) relating to payroll taxes. Staff met with DOR staff to discuss compliance and collection issues. The DOR unit responsible for LTD payroll tax compliance is also responsible for withholding and TriMet payroll tax compliance. DOR is proposing to add six compliance positions to the three positions already in the unit. If formally approved, these new positions will not be on board until July 2009 at the earliest. DOR also informed staff that, of the 350 or so contractors (from the December building permit information) processed to date, approximately 10 percent were noncompliant in some element of reporting required by the State. However, complete processing may take up to 18 months, so it may be impossible to track the dollar value of these collections.

At the end of February, staff sent DOR listings of: (1) 39 businesses that made payments in 2007 but not in 2008; (2) 28 newly opening businesses from local media information; and (3) 94 businesses advertising in local media that could not be located under that name in the payroll tax information provided to LTD by DOR.

PURCHASING

Jeanette Bailor, Purchasing Manager

The construction contract for the Gateway EmX Extension (International Way segment) with Wildish Construction Company has been signed, and construction is due to start in May. The contract also has been signed with Wildish Building Company for the guaranteed maximum price for the Gateway EmX Extension project.

A request for proposals for artwork for the Gateway EmX Extension project is due March 30.

Contracts are being finalized for fare collection machines for the platforms for EmX with Parkeon and for design of a new HVAC system for the IT server room.

Bids were due March 19 for the construction manager/general contractor for the fleet maintenance building expansion/remodel project and are under review. Selection should occur in early April.

HUMAN RESOURCES AND RISK MANAGEMENT

Mary Adams, Director of Human Resources and Risk Management

Selection and Hiring:

There was no hiring activity in February. Recruiting will begin later in the spring for an administrative secretary for the Commuter Solutions program, to replace a vacancy that will be created when Mary Green moves out of the state in June.

Health Care:

The Health for Life Committee has begun implementation of the 2009 work plan. Planning is underway for Trek Across Oregon, a competitive game that encourages employees to walk, bike, or run/jog. This program will be introduced in May. The bike check-out program will return again in May to coincide with the nicer spring weather.

Safety:

The Leadership Council approved a proposal from the Safety Committee to take advantage of a free program offered by SAIF that encourages a safer work culture. SAIF's Loss Control Approach (SLCA) is a 12-week program that explores ways to reduce workplace injuries through behavior modification. The sessions begin in late March. All classroom instruction and materials are free.

Other:

A retirement incentive offer was introduced to all represented employees eligible for retirement. A financial incentive for up to four bus operator positions and one journey mechanic position will be available on July 1, 2009. Employees have until April 20 to apply for the incentive. If more than four bus operators or more than one mechanic apply, incentives will be awarded to the most senior applicants in each job category.



Project List		Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Year 6 FY 14-15	Year 7 FY 15-16	Year 8 FY 16-17	Eight-Year Total
EmX Service										
Gateway EmX Extension	5307	192,000								192,000
	5309 - Small Starts	17,612,000	14,138,000							31,750,000
	ConnectOregon	3,400,000								3,400,000
	Lane Transit District	1,104,000	1,839,000							2,943,000
		<u>22,308,000</u>	<u>15,977,000</u>	0	0	0	0	0	0	38,285,000
West Eugene EmX Extension	5309 - Small Starts		1,200,000	3,000,000	12,000,000	16,500,000	12,300,000			45,000,000
	5339	400,000								400,000
	Lane Transit District	100,000								100,000
	State Lottery Funds		800,000	2,000,000	8,000,000	10,200,000	9,000,000			30,000,000
		<u>500,000</u>	<u>2,000,000</u>	<u>5,000,000</u>	<u>20,000,000</u>	<u>26,700,000</u>	<u>21,300,000</u>	0	0	75,500,000
4th EmX Corridor	5339				400,000	400,000	800,000	1,600,000	800,000	4,000,000
	Lane Transit District				100,000	100,000	200,000	400,000	200,000	1,000,000
		<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>	5,000,000
Franklin EmX Corridor-Glenwood Lanes	5309						4,000,000			4,000,000
	Lane Transit District						1,000,000			1,000,000
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000,000</u>	0	0	5,000,000
Revenue Vehicles										
	5307		499,520							499,520
	5309		2,940,480							2,940,480
	Debt Issuance			11,000,000	11,310,000		10,450,000			32,760,000
	Lane Transit District		860,000							860,000
		<u>0</u>	<u>4,300,000</u>	<u>11,000,000</u>	<u>11,310,000</u>	0	<u>10,450,000</u>	0	0	37,060,000



Project List (cont'd)		Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Year 6 FY 14-15	Year 7 FY 15-16	Year 8 FY 16-17	Eight-Year Total
Passenger Boarding/Facilities Improvements										
Fleet Facility Remodel	5307 - ARRA	3,201,570								3,201,570
	5307 - ARRA - State	1,500,000								1,500,000
		<u>4,701,570</u>	0	0	0	0	0	0	0	4,701,570
Glenwood Facility Remodel	5307	200,000								200,000
	5309					1,600,000	6,400,000	3,200,000		11,200,000
	Lane Transit District	50,000				400,000	1,600,000	800,000		2,850,000
		<u>250,000</u>	0	0	0	2,000,000	8,000,000	4,000,000	0	14,250,000
Other Passenger Boarding/Facilities Improvements	5307	220,000	80,000	240,000	120,000	120,000	120,000	120,000	120,000	1,140,000
	5309	160,000	80,000							240,000
	Lane Transit District	95,000	40,000	60,000	30,000	30,000	30,000	30,000	30,000	345,000
		<u>475,000</u>	<u>200,000</u>	<u>300,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Park & Ride Facilities	5309						2,400,000	2,400,000		4,800,000
	Lane Transit District						600,000	600,000		1,200,000
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>0</u>	6,000,000
Transit Enhancements	5307 - ARRA	64,678								64,678
		<u>64,678</u>	0	0	0	0	0	0	0	64,678
Veneta Park & Ride	5307	82,000								82,000
	City of Veneta	82,000								82,000
	ConnectOregon II	656,000								656,000
		<u>820,000</u>	0	0	0	0	0	0	0	820,000
Hardware/Software										
	5307	408,000	528,000	928,000	1,032,000	436,000	492,000	620,000	260,000	4,704,000
	Lane Transit District	102,000	132,000	232,000	258,000	109,000	123,000	155,000	65,000	1,176,000
	STP		30,000			30,000				60,000
		<u>510,000</u>	<u>690,000</u>	<u>1,160,000</u>	<u>1,290,000</u>	<u>575,000</u>	<u>615,000</u>	<u>775,000</u>	<u>325,000</u>	5,940,000
Intelligent Transportation Systems										
CAD/AVL/APC/Announcement System	5307		2,000,000	1,200,000	800,000					4,000,000
	Lane Transit District		500,000	300,000	200,000					1,000,000
		<u>0</u>	<u>2,500,000</u>	<u>1,500,000</u>	<u>1,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	5,000,000
Other ITS Improvements	5307	100,000	120,000	140,000	180,000	40,000	80,000	80,000	80,000	820,000
	Lane Transit District	25,000	30,000	35,000	45,000	10,000	20,000	20,000	20,000	205,000
		<u>125,000</u>	<u>150,000</u>	<u>175,000</u>	<u>225,000</u>	<u>50,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	1,025,000



Project List (cont'd)	Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Year 6 FY 14-15	Year 7 FY 15-16	Year 8 FY 16-17	Eight-Year Total
Communications									
5307	29,200	141,600	18,000	58,000	810,000	66,000	10,000	66,000	1,198,800
Lane Transit District	<u>7,300</u>	<u>35,400</u>	<u>4,500</u>	<u>14,500</u>	<u>202,500</u>	<u>16,500</u>	<u>2,500</u>	<u>16,500</u>	<u>299,700</u>
	36,500	177,000	22,500	72,500	1,012,500	82,500	12,500	82,500	1,498,500
Transit Security Projects									
5307	72,000	72,000	200,000	200,000	200,000	200,000	200,000	200,000	1,344,000
Lane Transit District	<u>18,000</u>	<u>18,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>336,000</u>
	90,000	90,000	250,000	250,000	250,000	250,000	250,000	250,000	1,680,000
Miscellaneous Equipment									
5307	32,000	96,000	32,000	32,000	96,000	32,000	96,000	32,000	448,000
Lane Transit District	<u>8,000</u>	<u>24,000</u>	<u>8,000</u>	<u>8,000</u>	<u>24,000</u>	<u>8,000</u>	<u>24,000</u>	<u>8,000</u>	<u>112,000</u>
	40,000	120,000	40,000	40,000	120,000	40,000	120,000	40,000	560,000
Bus-Related Equipment									
5307	160,000								160,000
Lane Transit District	<u>40,000</u>								<u>40,000</u>
	200,000	0	0	0	0	0	0	0	200,000
Shop Equipment									
5307	20,000	93,560	29,040	33,744	30,960	75,240	24,000	40,000	346,544
Lane Transit District	<u>5,000</u>	<u>23,390</u>	<u>7,260</u>	<u>8,436</u>	<u>7,740</u>	<u>18,810</u>	<u>6,000</u>	<u>10,000</u>	<u>86,636</u>
	25,000	116,950	36,300	42,180	38,700	94,050	30,000	50,000	433,180
Support Vehicles									
5307	40,000	48,000	48,000	48,000	80,000	80,000	80,000	80,000	504,000
Lane Transit District	<u>10,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>126,000</u>
	50,000	60,000	60,000	60,000	100,000	100,000	100,000	100,000	630,000
Accessible Services Vehicles and Projects									
5309	680,000								680,000
5310	134,595	502,488	502,488	628,110	628,110	753,732	753,732	753,732	4,656,987
5311 - ARRA - State	130,577	17,700							148,277
Lane Transit District	<u>185,405</u>	<u>57,512</u>	<u>57,512</u>	<u>71,890</u>	<u>71,890</u>	<u>86,268</u>	<u>86,268</u>	<u>86,268</u>	<u>703,013</u>
	1,130,577	577,700	560,000	700,000	700,000	840,000	840,000	840,000	6,188,277



Project List (cont'd)	Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Year 6 FY 14-15	Year 7 FY 15-16	Year 8 FY 16-17	Eight-Year Total
Transportation Options									
5307	81,700	81,700	81,700	81,700	81,700	81,700	81,700	81,700	653,600
City of Eugene	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
City of Springfield	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
Lane County	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
Lane Transit District	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
STP	100,500	100,500	100,500	100,500	100,500	100,500	100,500	100,500	804,000
STP-U	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	1,920,000
	442,200	442,200	442,200	442,200	442,200	442,200	442,200	442,200	3,537,600
Engine Kits/Misc. Parts									
5307	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	1,920,000
Lane Transit District	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	480,000
	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,400,000
Preventive Maintenance									
5307	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	8,000,000
5307 - ARRA	3,201,569								3,201,569
	4,201,569	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	11,201,569
Debt Service-Revenue Vehicles									
5307			1,040,000	2,080,000	2,080,000	3,120,000	3,120,000	3,120,000	14,560,000
Lane Transit District			260,000	520,000	520,000	780,000	780,000	780,000	3,640,000
	0	0	1,300,000	2,600,000	2,600,000	3,900,000	3,900,000	3,900,000	18,200,000
Project Total	36,270,094	28,700,850	23,146,000	39,981,880	36,538,400	51,663,750	22,019,700	8,579,700	246,900,374



Funding Summary		Year 1 FY 09-10	Year 2 FY 10-11	Year 3 FY 11-12	Year 4 FY 12-13	Year 5 FY 13-14	Year 6 FY 14-15	Year 7 FY 15-16	Year 8 FY 16-17	Eight-Year Total
Federal										
5307	Urbanized Area Formula Program	2,876,900	5,000,380	5,196,740	5,905,444	5,214,660	5,586,940	5,671,700	5,319,700	40,772,464
5307 - ARRA	American Recovery & Reinvestment Act	6,467,817								6,467,817
5307 - ARRA - State	American Recovery & Reinvestment Act	1,500,000								1,500,000
5309	Bus & Bus Facilities Program	840,000	3,020,480			1,600,000	8,800,000	9,600,000		23,860,480
5309 - Small Starts	Small Starts	17,612,000	15,338,000	3,000,000	12,000,000	16,500,000	12,300,000			76,750,000
5310	Special Needs of Elderly and Disabled Individuals	134,595	502,488	502,488	628,110	628,110	753,732	753,732	753,732	4,656,987
5311 - ARRA - State	American Recovery & Reinvestment Act	130,577	17,700							148,277
5339	Alternatives Analysis Program	400,000			400,000	400,000	800,000	1,600,000	800,000	4,400,000
STP	Surface Transportation Program	100,500	130,500	100,500	100,500	130,500	100,500	100,500	100,500	864,000
STP-U	Surface Transportation Program-Urban	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	1,920,000
		<u>30,302,389</u>	<u>24,249,548</u>	<u>9,039,728</u>	<u>19,274,054</u>	<u>24,713,270</u>	<u>28,581,172</u>	<u>17,965,932</u>	<u>7,213,932</u>	<u>161,340,025</u>
State										
ConnectOregon		3,400,000								3,400,000
ConnectOregon II		656,000								656,000
State Lottery Funds			800,000	2,000,000	8,000,000	10,200,000	9,000,000			30,000,000
		<u>4,056,000</u>	<u>800,000</u>	<u>2,000,000</u>	<u>8,000,000</u>	<u>10,200,000</u>	<u>9,000,000</u>	<u>0</u>	<u>0</u>	<u>34,056,000</u>
Local										
City of Eugene		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
City of Springfield		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
City of Veneta		82,000								82,000
Lane County		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000
Lane Transit District		1,814,705	3,636,302	1,091,272	1,382,826	1,610,130	3,617,578	4,038,768	1,350,768	18,542,349
		<u>1,911,705</u>	<u>3,651,302</u>	<u>1,106,272</u>	<u>1,397,826</u>	<u>1,625,130</u>	<u>3,632,578</u>	<u>4,053,768</u>	<u>1,365,768</u>	<u>18,744,349</u>
Debt Issuance										
Debt Issuance				11,000,000	11,310,000		10,450,000			32,760,000
		<u>0</u>	<u>0</u>	<u>11,000,000</u>	<u>11,310,000</u>	<u>0</u>	<u>10,450,000</u>	<u>0</u>	<u>0</u>	<u>32,760,000</u>
Funding Total		36,270,094	28,700,850	23,146,000	39,981,880	36,538,400	51,663,750	22,019,700	8,579,700	246,900,374

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: APRIL 2009 EMPLOYEE OF THE MONTH

PREPARED BY: Jeanne Schapper, Administrative Services Manager/Clerk of the Board

BACKGROUND: **April 2009 Employee of the Month:** Bus Operator Arturo Moreno was selected as the April 2009 Employee of the Month. Arturo was hired as a bus operator in February 2005 and has received both the General Manager's Award and the Safe Driving Award three times. Arturo was nominated for this award by a bus rider who expressed appreciation for Arturo's kindness, helpfulness, and professionalism that he consistently exhibits during bus rides.

When asked to comment on Arturo's selection as the Employee of the Month, Transit Operations Field Supervisor Charlett Sessions said:

Since coming to the District in 2005, Arturo has been nominated numerous times for Employee of the Month. It is easy to see why he receives so many nominations: he greets everyone with a smile and treats them with respect; and he always maintains a positive attitude. He consistently gives a smooth, safe ride and outstanding customer service. Arturo is very well liked and respected by his coworkers.

Arturo's work ethics and desire to excel at his job and in his personal life are apparent. In May 2008, after many months of preparation, he passed his citizenship test and became a U.S. citizen!

Arturo sets a great example for all of us in the professional and compassionate way he performs his job. His hard work and sense of pride are appreciated by many of his coworkers at LTD.

Congratulations to Arturo on being selected as the April 2009 Employee of the Month!

AWARD: Arturo will attend the March 31, 2009, meeting to be introduced to the Board and receive his award.

**Federal Transit Administration (FTA)
Proposed Grant Applications
March 2009**

	STIP Key #	Program	Year	Funding Ratio	Federal Grant	Project Total	
American Recovery and Reinvestment Act (5307)							
11.43.03	Fleet Facility Remodel	TBD	ARRA	2009	100%	\$ 3,201,570	\$3,201,570
11.7A.00	Preventive Maintenance - Bus	TBD	ARRA	2009	100%	3,201,569	3,201,569
11.92.02	Transit Enhancements	TBD	ARRA	2009	100%	64,678	64,678
Total American Recovery and Reinvestment Act (5307)						\$ 6,467,817	\$6,467,817
Urbanized Area Formula Funds (5307)							
11.32.09	Fare Machines for EmX	15216	5307	2008	80%:20%	\$ 400,000	\$ 500,000
11.42.07	Computer Hardware	15216	5307	2008	80%:20%	400,000	500,000
11.7A.00	Preventive Maintenance - Bus	16297	5307	2008	80%:20%	817,734	1,022,168
11.7A.00	Preventive Maintenance - Bus	16297	5307	2009	80%:20%	382,266	477,832
Total Urbanized Area Formula Funds (5307)						\$ 2,000,000	\$2,500,000
Capital Investment Program - Bus and Bus-Related Facilities (5309)							
11.12.06	5 Hybrid-electric articulated buses (18%)	14607	5309	2007	80%:20%	\$ 594,621	\$ 743,277
11.12.06	5 Hybrid-electric articulated buses (20%)	14607	5309	2008	80%:20%	644,172	805,215
11.12.06	5 Hybrid-electric articulated buses (7%)	15572	5309	2008	80%:20%	225,662	282,078
11.12.06	5 Hybrid-electric articulated buses (20%)	15571	5309	2009	80%:20%	669,600	837,000
11.12.06	5 Hybrid-electric articulated buses (24%)	15573	5309	2009	80%:20%	806,400	1,008,000
Total Capital Investment Program - Bus and Bus-Related Facilities (5309)						\$ 2,940,455	\$3,675,570
FTA Funding Summary							
American Recovery & Reinvestment Act (5307)		ARRA	2009			\$ 6,467,817	
Urbanized Area Formula Funds (5307)		5307	2008			1,617,734	
Urbanized Area Formula Funds (5307)		5307	2009			382,266	
Capital Investment Program - Bus (5309)		5309	2007			594,621	
Capital Investment Program - Bus (5309)		5309	2008			869,834	
Capital Investment Program - Bus (5309)		5309	2009			1,476,000	
Total Federal Transit Administration Funding						\$11,408,272	

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: FEDERAL TRANSIT ADMINISTRATION GRANT APPLICATIONS

PREPARED BY: Todd Lipkin, Financial Services Manager

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

BACKGROUND: LTD funds its Capital Improvements Program (CIP) through a combination of federal, state, and local funds. LTD receives federal funds appropriated on an annual basis through the Urbanized Area Formula Program (5307) and awarded through the Federal Transit Administration (FTA). LTD receives federal discretionary funds through the Capital Investment Program - Bus and Bus-Related Facilities (5309). These programs are normally funded at a federal participation level of 80 percent. In addition, LTD has received American Recovery and Reinvestment Act (ARRA) funding that has been appropriated through the 5307 program. The ARRA funds allow for 100 percent federal participation.

American Recovery and Reinvestment Act (5307)

This grant request is for \$6,467,817 and funds the following projects:

(1) Fleet facility remodel for articulated buses	\$3,201,570
(2) Fleet preventive maintenance	\$3,201,969
(3) Transit enhancements	\$64,678

Urbanized Area Formula Funds (5307)

This grant request is for \$2,000,000 and funds the following projects:

(1) Fare machines for Franklin EmX (reprogrammed from 5309 discretionary funding that was transferred for the purchase of five hybrid-electric articulated buses)	\$400,000
(2) Computer hardware	\$400,000
(3) Preventive maintenance	\$1,200,000

Capital Investment Program - Bus and Bus-Related Facilities (5309)

This grant request is for \$2,940,455 in 5309 funds. This request funds approximately 90 percent of the purchase of five hybrid-electric articulated buses. The change order for this purchase is scheduled to be executed by June 30, 2009. The remainder of the purchase is programmed to be paid with 5307 funds.

EFFECT OF RECOMMENDED ACTION:

LTD will be able to execute grant agreements with the Federal Transit Administration so that expenses for the applicable projects can be immediately reimbursed at their stated rate of federal participation.

ATTACHMENTS:

Federal Transit Administration Grant Application, Proposed Grant Applications, March 2009

PROPOSED MOTION:

I move approval of the following resolution:

LTD Resolution No. 2009-012: It is hereby resolved that the LTD Board of Directors approves the proposed grant application, which totals \$11,408,272 in federal funds and authorizes the General Manager to submit the Federal Transit Administration, Proposed Grant Applications, March 2009, to the Federal Transit Administration for approval.

AGENDA ITEM SUMMARY

- DATE OF MEETING:** March 31, 2009
- ITEM TITLE:** ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING
- PREPARED BY:** Jeanne Schapper, Administrative Services Manager/Clerk of the Board
- ACTION REQUESTED:** None
- BACKGROUND:** The action or information items listed below will be included on the agenda for future Board meetings:
- A. **West Eugene Collaborative (WEC) Final Report:** Board member Gerry Gaydos and Planning and Development Manager Tom Schwetz have been participating on the WEC. The WEC now has issued its final report. Staff will present the key recommendations in the report at the April 15 Board meeting.
 - B. **Recovery and Reinvestment Act (ARRA) Grant Applications:** Some of the ARRA grant applications are included as action items in this month's meeting. There may be additional grant applications for discretionary ARRA funds at the April 15 or May 20 regular Board meetings.
 - C. **Commuter Solutions Comprehensive Group Pass Research:** There will be a presentation to the Board during its June 17 regular meeting on the results of the Comprehensive Group Pass Research project. The presentation will include a comparison of current data to a study conducted in 2002 and recommendations based on research results.
 - D. **Budget Adoption:** In May, the LTD Budget Committee will discuss the proposed Fiscal Year 2009-10 budget. The budget approved by the Budget Committee will be on the agenda for adoption by the LTD Board of Directors at the June 17 regular Board meeting. The budget must be adopted before the end of the fiscal year on June 30.
 - E. **LTD Boundaries:** State law requires that LTD annually determine the territory in the District in which the transit system will operate. If no changes are planned, a resolution reaffirming the current boundaries will be scheduled for approval at the June 17, 2008, regular Board meeting.
 - F. **Legislative Bill Updates:** The Board will be provided regular updates during the 2009 legislative session.

- G. **Annual Performance Report**: Staff will prepare a performance report for FY 2008-09 for presentation to the Board in Summer 2009.
- H. **West Eugene EmX Extension (WEEE) Update**: Periodic updates on the progress of the design and construction of the WEEE project will be provided to the Board throughout the project.
- I. **Gateway EmX Extension Construction Updates**: Periodic updates on the progress of the design and construction of the Gateway EmX Extension will be provided to the Board throughout the project.
- J. **LTD Sustainability Plan**: The LTD Board has adopted a sustainability policy. The Board will review a plan outlining LTD's role in advancing the social, economic, and environmental sustainability of the Eugene-Springfield metropolitan area at a future meeting.
- K. **Park & Ride Program**: Issues regarding LTD's Park & Ride facilities will be discussed with the Board's Service Committee and then brought to the full Board for discussion at a future meeting.

AGENDA ITEM SUMMARY

- DATE OF MEETING:** March 31, 2009
- ITEM TITLE:** LEGISLATIVE UPDATE
- PREPARED BY:** Stefano Viggiano, Assistant General Manager
- ACTION REQUESTED:** None. Information only.
- BACKGROUND:** LTD has four high priority revenue items before the Legislature. The status of these items is as follows:
- Elderly and Disabled (E&D) Transportation Funding: At this point, there are four bills that include additional tobacco tax to fund E&D transportation. The most recent bill submitted, HB 3406, results in the greatest revenue, with an increase of 7 cents per pack in 2010 and increases of 4 cents per pack in 2012, 2014, and 2016. We are tracking all four bills.
 - West Eugene EmX Funding (HB 2396): There was a hearing on HB 2396 on March 20, 2009. Testifying in support of the bill were Representatives Holvey and Edwards, Mayor Piercy, Mark Pangborn, Rob Zako, and Jared Mason-Gere, representing the Eugene Chamber of Commerce. The Springfield Chamber of Commerce also supports this bill and provided written testimony to the House Transportation Committee. There were several very positive comments from members of the Committee.
 - Payroll Tax Acceleration: The Governor's Jobs and Transportation Act (HB 2120) proposes that the payroll tax increase to .007 that is currently phased in over a period of years be allowed to jump to the .007 limit on January 1, 2010. The Eugene Chamber of Commerce has voted to support this payroll tax acceleration, while the Springfield Chamber has decided to remain neutral on the issue. While there have been hearings on portions of HB 2120, the payroll tax acceleration has not been discussed.
 - Payroll Tax Increase: The Governor's Jobs and Transportation Act (HB 2120) also proposes that the payroll tax increase from .007 to .008, with that increase being phased in over a 10-year period. Both the Eugene and Springfield Chambers of Commerce have decided to remain neutral on this item. While there have been hearings on portions of HB 2120, the payroll tax increase has not been discussed.
- ATTACHMENT:** None.
- PROPOSED MOTION:** None.



Lane Transit District
Summary of Projections for Long-Range Financial Plan

	FY 2008-2009 Estimated Current Year	Year 1 Projected FY 2009-10	Year 2 Projected FY 2010-11	Year 3 Projected FY 2011-12	Year 4 Projected FY 2012-13	Year 5 Projected FY 2013-14	Year 6 Projected FY 2014-15	Year 7 Projected FY 2015-16	Year 8 Projected FY 2016-17	
O p e r a t i o n s	Beginning Net Working Capital - Operations	6,492,800	5,221,000	7,862,800	5,978,500	6,391,400	6,586,100	6,599,100	5,029,500	3,025,300
	Total Revenues from General Fund	36,280,500	39,340,100	37,136,600	38,781,800	40,789,400	42,707,400	45,101,100	47,634,600	50,315,900
	Total Requirements from General Fund	(35,800,300)	(36,748,300)	(38,470,900)	(37,880,700)	(43,211,900)	(41,084,300)	(43,053,100)	(45,123,400)	(47,803,500)
	Total Service/Operating Reductions (Additions)		50,000	(550,000)	450,000	4,000,000			(476,600)	
	Net Transfer to Capital Projects Fund	(1,752,000)	-	-	(938,200)	(1,382,800)	(1,610,100)	(3,617,600)	(4,038,800)	(1,350,800)
	Additions (Reductions) to Operating Reserves	(1,271,800)	2,641,800	(1,884,300)	412,900	194,700	13,000	(1,569,600)	(2,004,200)	1,161,600
	Resulting Ending Working Capital - General Fund	5,221,000	7,862,800	5,978,500	6,391,400	6,586,100	6,599,100	5,029,500	3,025,300	4,186,900
C a p i t a l	Beginning Net Working Capital - Capital	5,580,580	4,947,960	3,506,880	1,745,530	941,970	567,250	1,045,050	3,285,910	5,141,900
	Capital Resources									
	Known Grant Resources	14,779,900	21,857,940	22,302,990	6,929,630	7,312,670	4,937,390	5,145,170	5,265,070	6,378,230
	Federal Grants - EmX (Not Yet Funded)	-	-	800,000	1,250,000	1,700,000	10,250,000	13,750,000	10,950,000	8,800,000
	Local Resources - Other	-	82,000	-	300,000	600,000	6,300,000	8,100,000	4,100,000	-
	Transfer from General Fund	2,211,600	-	-	938,200	1,382,800	1,610,100	3,617,600	4,038,800	1,350,800
	Proceeds from Sale of Bonds	-	-	-	17,000,000	-	6,050,000	-	13,200,000	-
	All Other Capital Resources	283,060	296,860	117,510	117,510	117,510	131,890	131,890	146,270	146,270
	Total Capital Resources	17,274,560	22,236,800	23,220,500	26,535,340	11,112,980	29,279,380	30,744,660	37,700,140	16,675,300
	Requirements from Capital Projects Fund									
	EmX - Planning	-	-	-	-	-	-	-	-	(100,000)
	EmX - Franklin Corridor - Construction & Vehicles	(150,000)	-	-	-	-	-	-	-	(5,000,000)
	EmX - Pioneer Parkway Corridor	(5,764,000)	(11,095,000)	(19,300,000)	(4,650,000)	-	-	-	-	-
	EmX - West Eugene Extension Corridor & Vehicles	(1,100,000)	(2,506,000)	(1,000,000)	(1,750,000)	(1,600,000)	(15,850,000)	(20,350,000)	(10,350,000)	-
	Revenue Vehicles	(3,870,000)	(55,000)	-	(16,500,000)	-	(6,050,000)	-	(13,200,000)	-
	All Other Capital Projects	(7,023,180)	(7,021,880)	(4,681,850)	(3,938,900)	(8,023,400)	(4,737,280)	(5,543,800)	(9,384,150)	(9,595,100)
	Total Capital Requirements	(17,907,180)	(20,677,880)	(24,981,850)	(26,838,900)	(9,623,400)	(26,637,280)	(25,893,800)	(32,934,150)	(14,695,100)
Total Debt Service Requirements	-	(3,000,000)	-	(500,000)	(1,864,300)	(2,164,300)	(2,610,000)	(2,910,000)	(4,090,500)	
Net Operating Revenues (Requirements) - Capital	(632,620)	(1,441,080)	(1,761,350)	(803,560)	(374,720)	477,800	2,240,860	1,855,990	(2,110,300)	
Resulting Ending Working Capital - Capital	4,947,960	3,506,880	1,745,530	941,970	567,250	1,045,050	3,285,910	5,141,900	3,031,600	
Resulting Ending Working Capital - Combined	10,168,960	11,369,680	7,724,030	7,333,370	7,153,350	7,644,150	8,315,410	8,167,200	7,218,500	

Lane Transit District Ending Working Capital Balances

Long Range Financial Plan (LRFP) Assumptions

Current Payroll Tax Rate Increase Schedule (.007 on 1/1/14)	FY 2008-09 Estimated Current Year	Year 1 Projected FY 2009-10	Year 2 Projected FY 2010-11	Year 3 Projected FY 2011-12	Year 4 Projected FY 2012-13	Year 5 Projected FY 2013-14	Year 6 Projected FY 2014-15	Year 7 Projected FY 2015-16	Year 8 Projected FY 2016-17
Revenue increase or cost reduction to maintain Board mandated reserves				1,000,000	4,000,000				
-1%, 0%, 3%, 4%, 5%, then 6% with STP-U	5,221,000	7,862,790	5,834,615	3,025,657	3,985,545	4,808,659	4,096,805	3,000,521	5,125,827

Lane Transit District
Projections for FY 2010-17 Long-Range Financial Plan

	FY 2008-09 Budgeted Current Year	Percentage increase	FY 2008-09 Estimated Current Year	Year 1 Projected FY 2009-10	Year 2 Projected FY 2010-11	Year 3 Projected FY 2011-12	Year 4 Projected FY 2012-13	Year 5 Projected FY 2013-14	Year 6 Projected FY 2014-15	Year 7 Projected FY 2015-16	Year 8 Projected FY 2016-17								
General Fund Expenditures																			
Fixed Route Services																			
Personnel Services	(26,750,300)		(25,000,300)	6.0%	(26,500,300)	5.5%	(27,957,800)	5.5%	(29,495,500)	5.5%	(31,117,800)	5.5%	(32,829,300)	5.5%	(34,634,900)	5.5%	(36,539,800)	5.5%	(38,549,500)
Materials & Services less Fuel	(5,025,100)		(4,900,000)	-3.0%	(4,753,000)	2.0%	(4,848,060)	2.0%	(4,945,000)	2.0%	(5,043,900)	2.0%	(5,144,800)	2.0%	(5,247,700)	2.0%	(5,352,700)	2.0%	(5,459,800)
Fuel	(3,755,500)	\$2.50	(2,500,000)	-24.2%	(1,895,000)	4.0%	(1,970,800)	3.0%	(2,029,900)	3.0%	(2,090,800)	3.0%	(2,153,500)	3.0%	(2,218,100)	3.0%	(2,284,600)	3.0%	(2,353,100)
Insurance	(1,099,400)		(1,000,000)	10.0%	(1,100,000)	2.0%	(1,122,000)	2.0%	(1,144,400)	2.0%	(1,167,300)	2.0%	(1,190,600)	2.0%	(1,214,400)	2.0%	(1,238,700)	2.0%	(1,263,500)
Fixed Route Operating Costs -- before adjustments	(36,630,300)		(33,400,300)	2.5%	(34,248,300)	4.8%	(35,898,660)	4.8%	(37,614,800)	4.8%	(39,419,800)	4.8%	(41,318,200)	4.8%	(43,315,100)	4.8%	(45,415,800)	4.9%	(47,625,900)
Retirement Increases				(700,000)	(738,500)	(779,100)	(822,000)	(867,200)	(914,900)	(965,200)	(1,018,300)								
Administrative Reductions	-		-	230,000	242,700	256,000	270,100	285,000	300,700	317,200	334,600								
FY 2009-10 Service Cut	-		-	520,000	548,600	578,800	610,600	644,200	679,600	717,000	756,400								
FY 2010-11 Service Add	-		-	-	(550,000)	(1,130,300)	(1,192,500)	(1,258,100)	(1,327,300)	(1,400,300)	(1,477,300)								
FY 2011-12 service cuts	-		-	-	-	1,000,000	1,055,000	1,113,000	1,174,200	1,238,800	1,306,900								
FY 2012-13 service cuts	-		-	-	-	-	4,000,000	4,220,000	4,452,100	4,697,000	4,955,300								
FY 2013-14 service cuts	-		-	-	-	-	-	-	-	-	-								
FY 2014-15 service cuts	-		-	-	-	-	-	-	-	-	-								
FY 2015-16 service cuts	-		-	-	-	-	-	-	-	-	-								
FY 2015-16 Service Add	-		-	-	-	-	-	-	-	(476,600)	(502,800)								
Fixed Route Operating Costs -- after adjustments	(36,630,300)		(33,400,300)	2.4%	(34,198,300)	6.4%	(36,395,860)	3.6%	(37,689,400)	-5.8%	(35,498,600)	4.7%	(37,181,300)	4.8%	(38,950,700)	6.0%	(41,287,900)	4.8%	(43,271,100)
Transfer to Accessible Services	(2,383,700)		(2,500,000)	20.0%	(3,000,000)	5.0%	(3,150,000)	5.0%	(3,307,500)	5.0%	(3,472,900)	5.0%	(3,646,500)	5.0%	(3,828,800)	5.0%	(4,020,200)	5.0%	(4,221,200)
Transfer to Capital Projects	(1,752,000)		(1,752,000)	-	(143,985)	(1,145,198)	(1,436,752)	(1,664,056)	(3,671,504)	(4,092,694)	(1,401,694)								
Total Operating Costs and Transfers	(40,766,000)		(37,652,300)	-1.2%	(37,198,300)	6.7%	(39,689,845)	6.2%	(42,142,098)	-4.1%	(40,408,252)	5.2%	(42,491,856)	9.3%	(46,451,004)	6.4%	(49,400,794)	-1.0%	(48,893,994)
Regular Fares	4,086,500																		
Group Passes	1,941,500																		
Total Passenger Fare Operating Revenues	6,028,000	2.2%	6,400,000	2.0%	6,528,000	5.0%	6,854,400	5.0%	7,197,120	5.0%	7,556,980	5.0%	7,934,830	5.0%	8,331,570	5.0%	8,748,150	5.0%	9,185,560
Advertising	330,000	3.2%	340,800																
Special Services	681,600	-11.5%	643,000																
Total Other Operating Revenues (Advertising & Special Services)	1,011,600		983,800		983,800	6.0%	1,042,830	6.0%	1,105,400	6.0%	1,171,720	6.0%	1,242,020	6.0%	1,316,540	6.0%	1,395,530	6.0%	1,479,260
Other Operating Grants	440,000		440,000	wag	440,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000
Miscellaneous	158,200		168,200	wag	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200
Interest	530,000		400,000	3.0% rate	194,800	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000
Total Other Operating Revenue	8,167,800		8,392,000		8,304,800		8,385,430		8,790,720		9,216,900		9,665,050		10,136,310		10,631,880		11,153,020
Accessible Services BETC funding			100,000		500,000	5%	525,000	5%	551,250	5%	578,810	5%	607,750	5%	638,140	5%	670,050	5%	703,550
Additional Operating Revenue from Federal Formula Funds			1,200,000		4,200,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000
Total Other Operating Revenue	8,167,800		9,692,000	34.2%	13,004,800	-23.8%	9,910,430	4.4%	10,341,970	4.4%	10,795,710	4.4%	11,272,800	4.5%	11,774,450	4.5%	12,301,930	4.5%	12,856,570
Total PR Related Taxes -- Optimistic View (1%, 2%, 3%, 4%, 5%, then 6% -- current rate increase)	28,999,900		26,688,500	1.0%	27,369,060	2.0%	28,340,660	3.0%	29,630,160	4.0%	31,274,630	5.0%	33,323,120	6.0%	35,322,510	6.0%	37,441,860	6.0%	39,688,370
STP Funding			-	-	-	-	-	-	-	-	-								
Total Revenue -- Optimistic View	37,167,700		36,380,500		40,373,860		38,251,090		39,972,130		42,070,340		44,595,920		47,096,960		49,743,790		52,544,940
Net Revenues (Expenditures) -- Optimistic View	(3,598,300)		(1,271,800)		3,175,560		(1,438,755)		(2,169,968)		1,662,088		2,104,064		645,956		342,996		3,650,946
Ending Working Capital -- Optimistic View	2,407,700		5,221,000		8,396,560		6,957,805		4,787,837		6,449,925		8,553,989		9,199,945		9,542,941		13,193,887

Lane Transit District
Projections for FY 2010-17 Long-Range Financial Plan

	FY 2008-09 Estimated Current Year		Year 1 Projected FY 2009-10		Year 2 Projected FY 2010-11		Year 3 Projected FY 2011-12		Year 4 Projected FY 2012-13		Year 5 Projected FY 2013-14		Year 6 Projected FY 2014-15		Year 7 Projected FY 2015-16		Year 8 Projected FY 2016-17
Beginning Working Capital	6,492,800																
Regular Fares																	
Group Passes																	
Total Passenger Fare Operating Revenues	6,400,000	2.0%	6,528,000	5.0%	6,854,400	5.0%	7,197,100	5.0%	7,557,000	5.0%	7,934,900	5.0%	8,331,600	5.0%	8,748,200	5.0%	9,185,600
Advertising	340,800		340,800	6.0%	361,200	6.0%	382,900	6.0%	405,900	6.0%	430,300	6.0%	456,100	6.0%	483,500	6.0%	512,500
Special Services	643,000		643,000	6.0%	681,600	6.0%	722,500	6.0%	765,900	6.0%	811,900	6.0%	860,600	6.0%	912,200	6.0%	966,900
Total Other Operating Revenues (Advertising & Special Services)	983,800		983,800	6.0%	1,042,800	6.0%	1,105,400	6.0%	1,171,800	6.0%	1,242,200	6.0%	1,316,700	6.0%	1,395,700	6.0%	1,479,400
Payroll Related Taxes	26,688,500	-1.0%	26,835,300	0.0%	27,251,200	3.0%	28,491,100	4.0%	30,072,400	5.0%	32,042,100	6.0%	33,964,600	6.0%	36,002,500	6.0%	38,162,700
(-1%, 0%, 3%, 4%, 5%, then 6% -- current rate)		1.6%		1.6%		1.6%		1.6%		1.6%		1.6%		1.6%		1.6%	
STP-U Funding	-		-		500,000		500,000		500,000		-		-		-		-
Preventive Maintenance (Federal 5307)	1,200,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000
Preventive Maintenance (Federal 5307 ARRA)			3,200,000														
Other Operating Grants	440,000	wag	440,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000	wag	240,000
Total Grants	1,640,000		4,640,000		1,740,000		1,740,000		1,740,000		1,240,000		1,240,000		1,240,000		1,240,000
Miscellaneous	168,200	wag	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200	0.0%	158,200
Interest	400,000	3.0% rate	194,800	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000	3.0% rate	90,000
Total General Fund Revenues	36,280,500	8.4%	39,340,100	-5.6%	37,136,600	4.4%	38,781,800	5.2%	40,789,400	4.7%	42,707,400	5.6%	45,101,100	5.6%	47,634,600	5.6%	50,315,900
Personnel Services	(25,000,300)	6.0%	(26,500,300)	5.5%	(27,957,800)	5.5%	(29,495,500)	5.5%	(31,117,800)	5.5%	(32,829,300)	5.5%	(34,634,900)	5.5%	(36,539,800)	5.5%	(38,549,500)
Materials & Services less Fuel	(4,900,000)	-3.0%	(4,753,000)	2.0%	(4,848,100)	2.0%	(4,945,100)	2.0%	(5,044,000)	2.0%	(5,144,900)	2.0%	(5,247,800)	2.0%	(5,352,800)	2.0%	(5,459,900)
Fuel	(2,500,000)	4.0%	(1,895,000)	4.0%	(1,970,800)	3.0%	(2,029,900)	3.0%	(2,090,800)	3.0%	(2,153,500)	3.0%	(2,218,100)	3.0%	(2,284,600)	3.0%	(2,353,100)
Insurance	(1,000,000)	10.0%	(1,100,000)	2.0%	(1,122,000)	2.0%	(1,144,400)	2.0%	(1,167,300)	2.0%	(1,190,600)	2.0%	(1,214,400)	2.0%	(1,238,700)	2.0%	(1,263,500)
Fixed Route Operating Costs -- before adjustments	(33,400,300)		(34,248,300)		(35,898,700)		(37,614,900)		(39,419,900)		(41,318,300)		(43,315,200)		(45,415,900)		(47,626,000)
Retirement increases			(700,000)	5.5%	(738,500)	5.5%	(779,100)	5.5%	(822,000)	5.5%	(867,200)	5.5%	(914,900)	5.5%	(965,200)	5.5%	(1,018,300)
Administrative reductions-one time	-		-		-		-		-		-		-		-		-
Administrative reductions-permanent			230,000	5.5%	242,700	5.5%	256,000	5.5%	270,100	5.5%	285,000	5.5%	300,700	5.5%	317,200	5.5%	334,600
Total administrative reductions			230,000		242,700		256,000		270,100		285,000		300,700		317,200		334,600
FY 2009-10 service cuts - personnel services			520,000	5.5%	548,600	5.5%	578,800	5.5%	610,600	5.5%	644,200	5.5%	679,600	5.5%	717,000	5.5%	756,400
FY 2009-10 service cuts - materials and services			-	2.0%	-	2.0%	-	2.0%	-	2.0%	-	2.0%	-	2.0%	-	2.0%	-
FY 2011-12 service cuts			-	5.5%	-	5.5%	4,015,000	5.5%	4,235,800	5.5%	4,468,800	5.5%	4,714,600	5.5%	4,973,900	5.5%	5,247,500
FY 2012-13 service cuts			-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-
FY 2013-14 service cuts			-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-
FY 2014-15 service cuts			-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-
FY 2015-16 service cut			-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	-
Total service cuts	-		520,000		548,600		4,593,800		4,846,400		5,113,000		5,394,200		5,690,900		6,003,900
FY 2010-11 service adds - 1st half				#	(550,000)	5.5%	(580,300)	5.5%	(612,200)	5.5%	(645,900)	5.5%	(681,400)	5.5%	(718,900)	5.5%	(758,400)
FY 2010-11 service adds - 2nd half					-	5.5%	(550,000)	5.5%	(580,300)	5.5%	(612,200)	5.5%	(645,900)	5.5%	(681,400)	5.5%	(718,900)
FY 2015-16 service add					-	5.5%	-	5.5%	-	5.5%	-	5.5%	-	5.5%	(476,600)	5.5%	(502,800)
Total service additions	-		-		(550,000)		(1,130,300)		(1,192,500)		(1,258,100)		(1,327,300)		(1,876,900)		(1,980,100)
Total adjustments	-		50,000		(497,200)		2,940,400		3,102,000		3,272,700		3,452,700		3,166,000		3,340,100
Fixed Route Operating Costs -- after adjustments	(33,400,300)		(34,198,300)		(36,395,900)		(34,674,500)		(36,317,900)		(38,045,600)		(39,862,500)		(42,249,900)		(44,285,900)
Transfer to Accessible Services	(2,500,000)	10.0%	(3,000,000)	5.0%	(3,150,000)	5.0%	(3,307,500)	5.0%	(3,472,900)	5.0%	(3,646,500)	5.0%	(3,828,800)	5.0%	(4,020,200)	5.0%	(4,221,200)
BETC for Accessible Services	100,000		500,000	5.0%	525,000	5.0%	551,300	5.0%	578,900	5.0%	607,800	5.0%	638,200	5.0%	670,100	5.0%	703,600
Transfer to Accessible Services	(2,400,000)		(2,500,000)		(2,625,000)		(2,756,200)		(2,894,000)		(3,038,700)		(3,190,600)		(3,350,100)		(3,517,600)
Transfer to Capital Projects	(1,752,000)		-		-		(938,200)		(1,382,800)		(1,610,100)		(3,617,600)		(4,038,800)		(1,350,800)
Total operating and transfers	(37,552,300)		(36,698,300)		(39,020,900)		(38,368,900)		(40,594,700)		(42,694,400)		(46,670,700)		(49,638,800)		(49,154,300)

Lane Transit District
FY 2010-17 Long-Range Financial Plan

	Year 1 Projected FY 2009-10	Year 2 Projected FY 2010-11	Year 3 Projected FY 2011-12	Year 4 Projected FY 2012-13	Year 5 Projected FY 2013-14	Year 6 Projected FY 2014-15	Year 7 Projected FY 2015-16	Year 8 Projected FY 2016-17
Beginning Working Capital	5,221,000	7,862,800	5,978,500	6,391,400	6,586,100	6,599,100	5,029,500	3,025,300
General Fund Revenues								
Passenger Fare Operating Revenues	6,528,000	6,854,400	7,197,100	7,557,000	7,934,900	8,331,600	8,748,200	9,185,600
Advertising	340,800	361,200	382,900	405,900	430,300	456,100	483,500	512,500
Special Services	643,000	681,600	722,500	765,900	811,900	860,600	912,200	966,900
Total Operating Revenues	7,511,800	7,897,200	8,302,500	8,728,800	9,177,100	9,648,300	10,143,900	10,665,000
Payroll-Related Taxes	26,835,300	27,251,200	28,491,100	30,072,400	32,042,100	33,964,600	36,002,500	38,162,700
STP-U Funding	-	500,000	500,000	500,000	-	-	-	-
Preventive Maintenance (Federal 5307)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Preventive Maintenance (Federal 5307 ARRA)	3,200,000	-	-	-	-	-	-	-
Other Operating Grants	440,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Total Grants	4,640,000	1,740,000	1,740,000	1,740,000	1,240,000	1,240,000	1,240,000	1,240,000
Miscellaneous	158,200	158,200	158,200	158,200	158,200	158,200	158,200	158,200
Interest	194,800	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total General Fund Revenues	39,340,100	37,136,600	38,781,800	40,789,400	42,707,400	45,101,100	47,634,600	50,315,900
General Fund Expenditures								
Fixed-Route Services								
Personnel Services	(26,500,300)	(27,957,800)	(29,495,500)	(31,117,800)	(32,829,300)	(34,634,900)	(36,539,800)	(38,549,500)
Materials and Services less Fuel	(4,753,000)	(4,848,100)	(4,945,100)	(5,044,000)	(5,144,900)	(5,247,800)	(5,352,800)	(5,459,900)
Fuel	(1,895,000)	(1,970,800)	(2,029,900)	(2,090,800)	(2,153,500)	(2,218,100)	(2,284,600)	(2,353,100)
Insurance	(1,100,000)	(1,122,000)	(1,144,400)	(1,167,300)	(1,190,600)	(1,214,400)	(1,238,700)	(1,263,500)
Total Fixed-Route Operating Costs Before Adjustments	(34,248,300)	(35,898,700)	(37,614,900)	(39,419,900)	(41,318,300)	(43,315,200)	(45,415,900)	(47,626,000)
Retirement Contribution Increase	(700,000)	(738,500)	(779,100)	(822,000)	(867,200)	(914,900)	(965,200)	(1,018,300)
Administrative Reductions	230,000	242,700	256,000	270,100	285,000	300,700	317,200	334,600
FY 2009-10 Service Reduction	520,000	548,600	578,800	610,600	644,200	679,600	717,000	756,400
Gateway EmX Service Addition	-	(550,000)	(1,130,300)	(1,192,500)	(1,258,100)	(1,327,300)	(1,400,300)	(1,477,300)
FY 2011-12 Service Reduction/Revenue Increase	-	-	4,015,000	4,235,800	4,468,800	4,714,600	4,973,900	5,247,500
West Eugene EmX Service Addition	-	-	-	-	-	-	(476,600)	(502,800)
Total Service Changes	520,000	(1,400)	3,463,500	3,653,900	3,854,900	4,066,900	3,814,000	4,023,800
Accessible Services Program Costs (less grant proceeds)	(3,000,000)	(3,150,000)	(3,307,500)	(3,472,900)	(3,646,500)	(3,828,800)	(4,020,200)	(4,221,200)
Business Energy Tax Credit (BETC) Proceeds	500,000	525,000	551,300	578,900	607,800	638,200	670,100	703,600
Transfer to Accessible Services	(2,500,000)	(2,625,000)	(2,756,200)	(2,894,000)	(3,038,700)	(3,190,600)	(3,350,100)	(3,517,600)
Transfer to Capital Fund	-	-	(938,200)	(1,382,800)	(1,610,100)	(3,617,600)	(4,038,800)	(1,350,800)
Total General Fund Expenditures	(36,698,300)	(39,020,900)	(38,368,900)	(40,594,700)	(42,694,400)	(46,670,700)	(49,638,800)	(49,154,300)
Ending Working Capital	7,862,800	5,978,500	6,391,400	6,586,100	6,599,100	5,029,500	3,025,300	4,186,900

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: FY 2010-2017 LONG-RANGE FINANCIAL PLAN

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

ACTION REQUESTED: Board approval of the revised Long-Range Financial Plan

BACKGROUND: Each year Board members and senior staff participate in a strategic planning work session that considers financial projections, service needs, capital projects, and the overall balance of short-term priorities and long-term investment in the community. On March 2, in response to the local economic downturn and collapse of the financial markets, an additional work session that included citizen members of the Budget Committee was held to provide staff direction on appropriate assumptions for the preparation of the FY 2009-10 Proposed Budget and the revision of the rolling Long-Range Financial Plan. The revised plan for FY 2010-2017 reflects the direction that the Board and Budget Committee members provided.

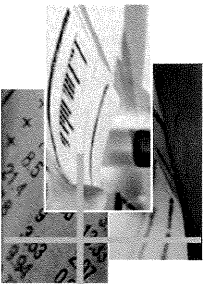
A brief overview of the revised plan and its key assumptions will be presented at the March 31 Board meeting.

RESULT OF RECOMMENDED ACTION: Year One (FY 2009-10) will become the basis for the FY 2009-10 Proposed Budget that will be presented to the Lane Transit District Budget Committee on May 20, 2009.

ATTACHMENTS: Long-Range Financial Plan Budget Assumptions
Long-Range Financial Plan Summary

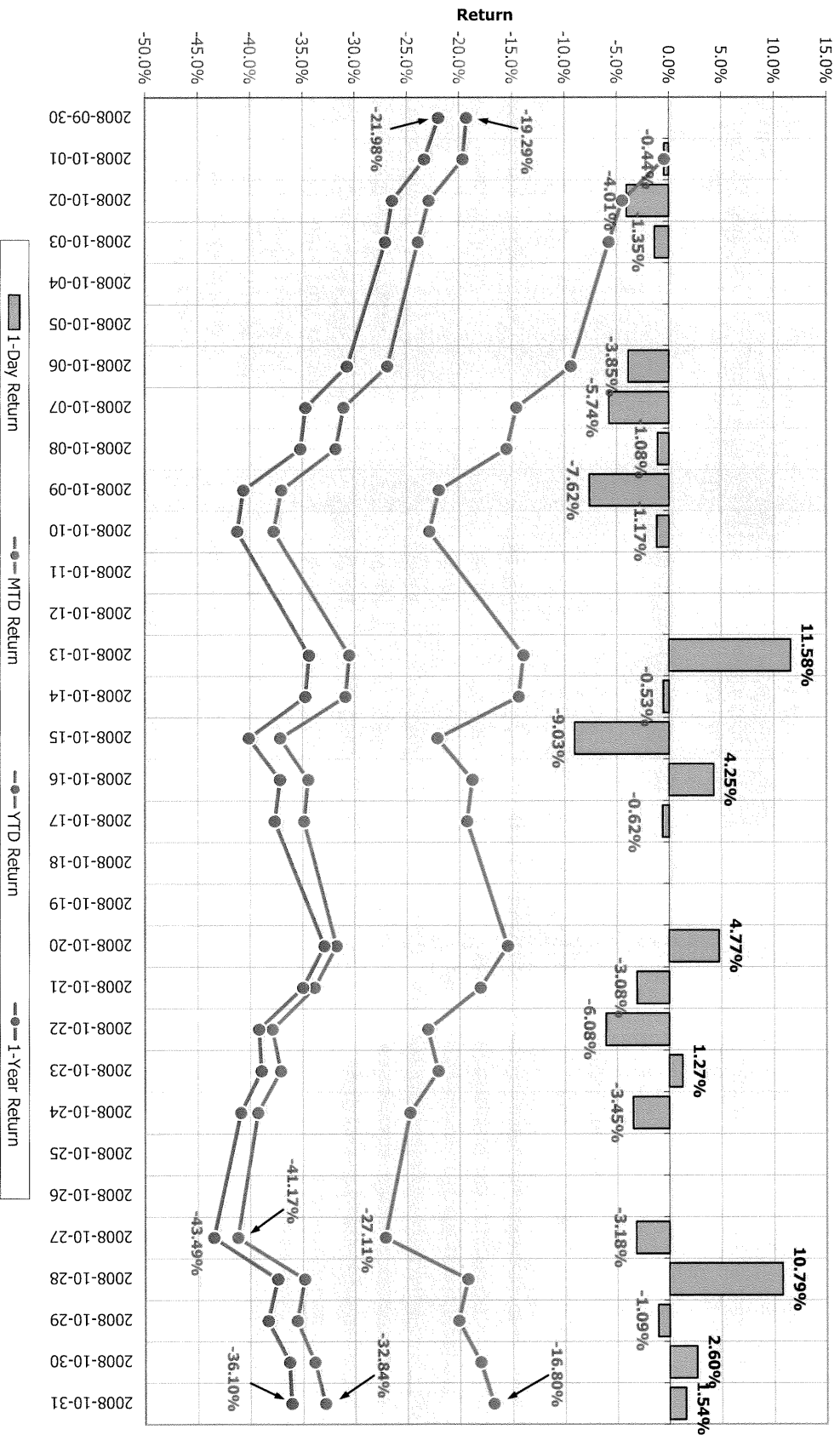
PROPOSED MOTION: I move the following resolution:

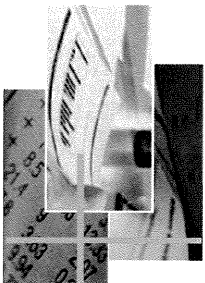
LTD Resolution No. 2009-013: Resolved, that the LTD Board of Directors approves the FY 2010-17 Long-Range Financial Plan as presented [amended].



Continued Heightened Volatility in October

S&P 500 Index Total Returns in October 2008





Final Thoughts

- ▶ Historic period in capital markets
- ▶ No asset class immune to credit crisis fallout
- ▶ **RVK recommends maintaining a long-term focus**
 - ▶ Selling now locks in losses – how do you time when to invest again?
 - ▶ Eliminating an asset class will only add to volatility
- ▶ **Keys to weathering a market crisis**
 - ▶ Portfolio asset allocation consistent with risk tolerance
 - ▶ Broad diversification
 - ▶ Disciplined rebalancing

Arturo Moreno applied for Bus Operator with Lane Transit District on three different occasions until his persistence paid off. He was hired as a bus operator in February of 2005. In the short time Arturo has been with the District, he has been nominated numerous times for Employee of the Month and it is easy to see why he receives so many EOM nominations. He greets everyone with a smile and treats them with respect and always maintains a positive can-do attitude. He consistently gives a smooth safe ride and outstanding customer service. Arturo is very well liked and respected by his coworkers.

Arturo's work ethics and desire to excel at his job and in his personal life are apparent. After many months of preparation, on May 12th, 2008, he passed his citizenship test and became a United States citizen. Arturo is very helpful to the staff when we are in need of a translator. He is an excellent resource for the Latino population who ride the system every day. He has also helped others in their quest to make a better life in the United States.

Arturo sets a great example for all of us in the professional and compassionate way he performs his job. His hard work and sense of pride are appreciated by many at Lane Transit District. Congratulations to Arturo for being named April Employee of the month.

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: MONTHLY PERFORMANCE REPORTS

PREPARED BY: Mark Pangborn, 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.

ATTACHMENT: February 2009 Performance Reports
February 2009 RideSource Activity and Productivity Report

PROPOSED MOTION: None

EXECUTIVE SUMMARY: LTD RETIREMENT PLAN PROPOSAL

SAVING : INVESTING : PLANNING

AIG Retirement currently provides investment programs for Lane Transit District's 457(b) and 401(a) retirement plans. This is a summary of proposal to enhance the District's retirement programs. Enhancements include moving from a variable annuity to a mutual fund based investment portfolio and reducing management fees. The columns below summarize key feature and enhancements:

Current Investment Portfolio

- Variable Annuity
- 1.73% average fund expense
- 66 variable annuity funds
- Fixed investments

Proposed Investment Portfolio

- Mutual fund
- 1.26% average fund expenses
- 22 mutual funds
- Fixed investments

The current and proposed programs share many beneficial features including:

- Financial advisor consultative services for account management and financial and retirement planning.
- Access to Guided Portfolio Services
- No account maintenance fees
- No-cost withdrawals:
- No surrender charges, assuming withdrawals are permitted by federal law and the District's plan
- No restrictions, limitations or charges applicable to distributions in the event of death, disability, annuitization, separation from service, retirement or hardship.
- A one-time fee of \$60 per loan is assessed to cover the costs of setting up a new loan.

AIG Retirement has established alliances with numerous investment management companies representing more than 4,800 mutual funds. This open investment architecture enables AIG Retirement to provide Lane Transit District's employees with access to investment options from well-known fund families and consultative services with a financial advisor to assist in fund selection and retirement planning.

With more than \$57 billion in assets, AIG Retirement is one of the largest, most experienced organizations specializing in full service defined contribution retirement programs. The organization's financial ratings are among the best in the industry, reflecting the quality of its fixed investment portfolio, consistent asset and earnings growth, and leading positions in its chosen markets. AIG Retirement financial ratings* are as follows:

A.M. Best	A
Standard & Poor's	A+
Moody's	Aa3
Fitch	AA-

* Independent ratings apply to the financial stability of The Variable Annuity Life Insurance Company, not to the safety or the performance of the mutual funds.

AGENDA ITEM SUMMARY

DATE OF MEETING: March 31, 2009

ITEM TITLE: RideSource Call Center Update

PREPARED BY: Terry Parker, Accessible Services Manager

ACTION REQUESTED: None

BACKGROUND: The RideSource Call Center serves as a human service transportation brokerage in Lane County. It is primarily for non-emergency medical transportation for people who are Medicaid eligible throughout Lane County and for people in the Eugene-Springfield area who cannot use LTD's fixed-route service due to a disability. The Call Center was established to provide more efficient and cost-effective transportation for participants and for those agencies that pay for these services. This includes Medicaid medical transportation as well as other trips.

The Call Center contracts with a variety of transportation providers throughout the County (such as taxi providers), and brokers rides to them through a web-based program that was developed in-house by LTD Information Technology staff.

The RideSource Call Center has been in full County-wide operation since May 19, 2008. During its ten months of full operation, the Call Center has processed more than 158,000 telephone calls and scheduled more than 168,000 Americans with Disabilities Act (ADA) paratransit and Medicaid medical trips. During the first year, the Call Center completed its Development and Implementation Grant funding and moved into direct invoicing of the Oregon Department of Human Services. Major areas of focus during this first year have included Information Technology systems, including the interface with the Department of Human Services' new Medicaid Management Information System (MMIS) computer system, and the implementation of the Transportation Eligibility Assessment Coordinator position in partnership with Senior and Disabled Services.

Currently the Call Center employs 18 people, including 10 call takers.

Staff will be present at the work session to provide additional information and to answer any questions.

ATTACHMENTS: None

PROPOSED MOTION: None