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Public notice was given to *The Register-Guard* for publication on January 14, 2010.

**LANE TRANSIT DISTRICT
REGULAR BOARD MEETING**

**Wednesday, January 20, 2010
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

Gillespie _____ Kortge _____ Towery _____ Necker _____
Evans _____ Dubick _____ Eyster _____

III. INTRODUCTION OF SALEM AREA MASS TRANSIT DISTRICT BOARD OF DIRECTORS:

Shelley Hanson, Kate Tarter, Robert Krebs, Ron Christopher, Joe Green,
Marcia Kelley, Jerry Thompson

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

IV. PRELIMINARY REMARKS BY BOARD PRESIDENT

V. ANNOUNCEMENTS AND ADDITIONS TO AGENDA 5

VI. BOARD CALENDARS (5 minutes) 6

VII. WORK SESSION: DISCUSSION WITH SALEM AREA MASS TRANSIT DISTRICT BOARD OF DIRECTORS

A. Board of Directors' Roles and Responsibilities (50 minutes) 7

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

VIII. EMPLOYEES OF THE MONTHS – January and February 2010 (10 minutes) 8

IX. 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.*

X. ITEMS FOR ACTION AT THIS MEETING

- A. Consent Calendar (1 minute) 10
 - 1. Minutes of the October 23, 2009, Board Strategic Planning Work Session (Page 11)
 - 2. Minutes of the November 18, 2009, Regular Board Meeting (Page 15)
 - 3. Minutes of the December 7, 2009, Board Strategic Planning Work Session (Page 21)
 - 4. Minutes of the December 16, 2009, Canceled Board Meeting (Page 31)

- B. Audit Report for Fiscal Year Ending June 30, 2009 (10 minutes)
 - 1. Audit Report 32
 - 2. Acceptance of Audit Report 33

- C. 2010 Federal Funding Requests (5 minutes) 34

- D. Appointment of Three New Members to the EmX Steering Committee (3 minutes) 36

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- A. Comprehensive Annual Financial Report for Fiscal Year 2008-2009 (10 minutes) 37

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 - 1. Meetings Held or Attended
 - a. West Eugene EmX Extension Corridor Committee – January 6
 - b. Metropolitan Policy Committee – January 14

2.	No Meeting/No Report	
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b.	Board Service Committee	
c.	LCOG Board of Directors	
d.	EmX Steering Committee	
e.	Board Finance Committee	
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A.	Joint Meeting with Lane County Board of Commissioners (February)	
B.	FY 2010-11 Service Recommendation and Pricing Plan (February through April)	
C.	Union Contract Negotiations Update (February)	
D.	Federal Grant Applications (February)	
E.	General Manager’s Goals and Objectives (February)	
F.	Revised Capital Improvements Program Public Hearing and Adoption (February and March)	
G.	Long-Term Visioning (February or March)	
H.	Revised Long-Range Financial Plan Adoption (March)	
I.	<i>LTD Road Map</i> Update (March)	
J.	Legislative Bill Updates (future meetings)	
K.	Quarterly Board Luncheon (Winter or Spring 2010)	

- L. Review Pension Funding Structure (May)
- M. West Eugene EmX Extension Updates (future meetings)
- N. Gateway EmX Extension Construction Updates (future meetings)

XIII. ADJOURNMENT

The facility used for this meeting is wheelchair accessible. If you require any special physical or language accommodations, including alternative formats of printed materials, please contact LTD's Administration office as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please call 682-6100 (voice) or 1-800-735-2900 (TTY, through Oregon Relay, for persons with hearing impairments).

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

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

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

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 winter and spring vacation dates.

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

PROPOSED MOTION: None

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: BOARD OF DIRECTORS' ROLES AND RESPONSIBILITIES

PREPARED BY: Mike Eyster, LTD Board President

ACTION REQUESTED: None

BACKGROUND: During the January 20 work session, the Salem Area Mass Transit District Board of Directors and the Lane Transit District Board of Directors will discuss transit governance issues. Topics of discussion may include, but are not limited to:

- The Board's strategy in public outreach with key stakeholders and the community
- Policy decision-making process
- Intergovernmental relations strategies
- Governance as it relates to subcommittee structure and expectations
- Board/General Manager relationship
- 2010 APTA Transit Board Member Seminar

ATTACHMENTS: None

RESULTS OF RECOMMENDED ACTION: None

PROPOSED MOTION: None

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: JANUARY AND FEBRUARY 2010 EMPLOYEES OF THE MONTHS

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

BACKGROUND: **January 2010 Employee of the Month:** Bus Operator Cindy Meader was selected as the January 2010 Employee of the Month. Cindy was hired as a bus operator in 1998. She has received the Safe Driving Award for 10 years and was given the November 2009 Take Initiative Monthly Value Award. Cindy was nominated for this award by a supervisor who was impressed with her quick reactions to a customer's needs recently and thus averted a potentially life threatening situation. When a customer who suffers from hypoglycemia began to have an episode, Cindy quickly gave her some candy, stopped to get some Gatorade for her, and assisted her until her glucose levels were stabilized.

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

It has been my pleasure to be Cindy's evaluating supervisor for most of her years here. During her time at LTD, she has received many compliments and Employee of the Month nominations from customers and co-workers alike. Passengers have recognized her pleasant attitude, her willingness to help them with directions, and her ability to make riding the bus such a pleasure.

Over the years, I have observed Cindy handle many situations calmly and with finesse. I saw this ability again recently when I heard of the incident mentioned above. Cindy remained calm and collected throughout the situation, providing the dispatcher with precise information while simultaneously easing the anxiety of the affected passenger. After hearing about this exchange and the positive outcome from her actions, I was very proud to know that Cindy was a member of LTD's family of employees.

February 2010 Employee of the Month: The February 2010 Employee of the Month is Bus Operator Cesar Duarte who began working at LTD in 2007. Cesar has twice received the Safe Driving Award, received the general manager award in 2008, and received the Work Together monthly value award in November 2009. Cesar was nominated for the Employee of the Month award by an operations supervisor who was impressed with Cesar's willingness to help out fellow operators during a very busy time in October. After working a full day one Saturday, Cesar volunteered to take an extra shift to help out with (according to the supervisor) "one of the biggest games of the

season.” This was especially appreciated since Operations was short-handed on that particular day.

Cesar also received a nomination from a grateful customer who appreciates his continual courtesy and professionalism.

When asked to comment on Cesar’s selection as the Employee of the Month, Field Supervisor Shawn Bradley said:

In the time that Cesar has been with LTD, he has been a model employee. His attitude and work ethic have been nothing short of outstanding. He has always been prompt and prepared for each day. He is a fast learner and seems well-suited to this environment.

I have been Cesar’s direct supervisor since his arrival and have enjoyed working with him. He comes to work and meets every challenge given to him, and he thinks well on his feet. He requires little supervision and is truly a professional when dealing with others.

Cesar has been placed in leadership positions during our special events that we conduct for the University of Oregon. He is a Transportation Coordinator for both football and basketball and has conducted himself with poise and a professional attitude. I trust his judgment to handle any situation that comes his way. He has the maturity to evaluate situations and to control his environment through good customer service skills.

Congratulations to Cindy and Cesar on being selected as the January and February 2010 Employees of the Months, respectively.

AWARD:

Cindy and Cesar will attend the January 20, 2010, meeting to be introduced to the Board and receive their awards.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

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 January 20, 2010:

1. Approval of the Minutes of the October 23, 2009, Board Strategic Planning Work Session
2. Approval of the Minutes of the November 18, 2009, Regular Board Meeting
3. Approval of the Minutes of the December 7, 2009, Board Strategic Planning Work Session
4. Approval of the Minutes of the December 16, 2009, Canceled Board Meeting

ATTACHMENTS:

1. Minutes of the October 23, 2009, Board Strategic Planning Work Session
2. Minutes of the November 18, 2009, Regular Board Meeting
3. Minutes of the December 7, 2009, Board Strategic Planning Work Session
4. Minutes of the December 16, 2009, Canceled Board Meeting

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

LTD Resolution No. 2010-001: It is hereby resolved that the Consent Calendar for January 20, 2010, is approved as presented.

MINUTES OF DIRECTORS
STRATEGIC PLANNING WORK SESSION

LANE TRANSIT DISTRICT

SPECIAL MEETING

Friday, October 23, 2009

Pursuant to notice given to *The Register-Guard* for publication on October 18, 2009, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a strategic planning work session on Friday, October 23, 2009, beginning at 8:30 a.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present:

Board

Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Doris Towery
Mike Dubick

Staff

Mark Pangborn, General Manager
Stefano Viggiano, Assistant General Manager
Mark Johnson, Director of Transit Operations
Diane Hellekson, Director of Finance
George Trauger, Director of Maintenance
Mary Adams, Director of Human Resources and Risk Management
Andy Vobora, Director of Service Planning and Marketing
Tom Schwetz, Director of Planning and Development
Steve Parrott, Information Technology Manager
Charlie Simmons, Facilities Services Manager
Jeanne Schapper, Administrative Services Manager/Clerk of the Board (Recording Secretary)
Todd Lipkin, Financial Services Manager
Pat Rather, Training Specialist

Absent:

Gerry Gaydos

CALL TO ORDER AND WELCOME: The meeting was called to order by Board President Mike Eyster at 9:03 a.m. on Friday, October 23.

Mr. Eyster introduced the format and focus of the day's discussion, which would include members of the community later joining the group for lunch. This format was designed to allow for engaging conversation with community leaders that staff connect with and collaborate with on a regular basis. The goal was to work together to forecast how transportation may assist the larger community in the future.

Mr. Eyster then introduced Gary Gillespie, who would be joining the Board in January, replacing the position that will be vacated by Gerry Gaydos.

Director of Human Resources and Risk Management Mary Adams further described the purpose and format of the day's brainstorming session. This day's session is the second in a series of visioning sessions designed to examine where the organization wants to be 20 years or more into the future, while developing a strategy that makes sense for the community. Ms. Adams clarified that the lunch

discussion would focus more on the style and competencies that community leaders would prefer in future leadership at LTD.

Ms. Adams reported that futurists say that the past can be a predictor of what can be expected to happen in the future. To begin the process of looking into the future, Mr. Rather introduced a video that displayed what has happened in the world and with LTD during since 1980. Mr. Rather then introduced a banner that displayed a timeline of significant milestones that LTD has achieved during that same period of time. A second banner would be used to display ideas generated during the course of the day that are related to LTD's future and that would be brought back to the Board at the next visioning session.

General Manager Mark Pangborn reiterated that the accomplishments the organization has made in the past and the continuous desire to improve the organization are the result of thinking in the long term. In the past, decisions have been made at times long before the execution. That underlines LTD's need to anticipate what it needs to do in the future. The past timeline reflects changes in legislative delegates, and the long-range plan needs to consider those and other possible changes in the future. While the organization identifies what needs to be done in the future, it also needs to determine possible funding options.

STRATEGIC VISIONING WORK SESSION: During the course of the morning, the Board and staff held table discussions to determine factors that may have major future implications for transit. The exercise also produced conceptual ideas of where LTD will be up to 40 years into the future. Mr. Pangborn recognized some of the factors and ideas submitted by staff and the Board, such as:

- Changing demographics (cultural, language barriers), growing city populations, and workforce changes
- By 2015, 80 percent of current technologies will be obsolete, requiring retraining of workers
- Completion of EmX system by 2040 (population projections 380,000)
- Extend high-speed service to other communities, including Cottage Grove
- Electric and solar-powered buses – no fossil fuels
- Fully automated fare collection
- Contracting service to sustain service levels
- Increase rail line along Highway 126 – express service to Veneta
- Bike rentals/loans at bus stops
- Bilingual requirement for employment at LTD
- Oregon's public initiative process is abolished
- Peter DeFazio's retirement
- High speed rail
- Leadership changes
- Third wheelchair bay on buses
- Sales tax
- Aerial system from Autzen to campus
- Real-time information at all bus stops
- Ability to process on-demand requests from low density access points to high capacity corridors
- Satellite facility

At noon the Board and staff were joined by community members who participated in group discussions concerning their vision for LTD's future leadership and LTD's position within the community. Joining in the discussions were: Dan Egan, Gino Grimaldi, Peter Davidson, Anne Marie Levis, Jon Ruiz, Liz Cawood, Steve Roth, and Dwight Collins.

At the close of the group discussions, a table representative shared some of the preferred characteristics of future LTD leadership that had been discussed, including:

- Transit advocate with passion for transit--not a technician
- Visionary, but with day-to-day management capabilities
- Someone with long-term commitment to the community
- High energy
- Good listener
- Strong external presence in the community – maintaining relationships is important
- Already a player in transit—APTA and FTA connections
- Consideration as to up-and-comer v. seasoned professional (no conclusions from the group)
- Good speaker
- High level of integrity
- Maintain/improve relationship with union
- Life-long learner
- Out-of-the-box thinker
- Good understanding of finances – can find innovative funding strategies
- Good understanding of this community
- Good understanding of LTD's culture—no drastic, immediate changes
- Culturally competent (regarding changing demographics)
- Not necessarily bus-focused since bus may not be the transportation of the future
- Interested in innovation
- Continues to move in the direction of community integration into transit
- Collaborative
- Restructuring into framework of shared leadership: two leaders with separate focus of responsibilities (internal v. external; financial v. operational)

Ms. Adams thanked the group and said that these ideas will be incorporated into a draft document that will be used over the next several months in developing the future vision for the District. The visitors left the meeting at 1:15 p.m.

Ms. Adams shared the next steps in the process. During the next month a task force will be formed that will synthesize the ideas brought forth during this session into a document to be brought back to the Board in another session to be scheduled for January. This is an iterative process that will take place over the next several months, resulting in a document that will guide the District through the next twenty years.

The next work session to be scheduled in December will focus on building the budget for the coming year and the long-term financial plan.

The information received regarding leadership competencies will be incorporated into the District's process for internal staff development and succession planning.

Mr. Schwetz added that the long-range transit plan has a couple of components that LTD can build on: one includes development of strategic scenarios, and the second is the identification of specific capital related projects that will become part of the regional plan. Development of the plan needs to be completed by June 30, 2011.

ADJOURNMENT: The work session was adjourned at 1:50 p.m.

Board Secretary

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

Wednesday, November 18, 2009

Pursuant to notice given to *The Register-Guard* for publication on November 12, 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/work session on Wednesday, November 18, 2009, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

CALL TO ORDER/ROLL CALL – Mr. Eyster convened the meeting and called the roll at 5:30 p.m.

WORK SESSION

Gateway EmX Extension Project Update – Facility Services Manager Charlie Simmons stated that the project had begun in 2001, and construction was nearly 50 percent complete. He used aerial photographs of the route to illustrate minor changes to routing.

In answer to Mr. Evans question, Mr. Simmons replied that there would be eight vehicles on the 80-minute loop in order to maintain frequency of service when the second EmX corridor begins operating.

Mr. Eyster asked if the route changes along West 11th Avenue would require a public participation process. Mr. Simmons replied that the changes would not create any major impacts, and he did not believe a public process was necessary; however, staff had been in contact with Selco Community Credit Union and City traffic engineers regarding the proposed changes.

Mr. Simmons described the temporary connection at the northeast end of the EmX loop and said that it would be in place until PeaceHealth built a permanent connecting road, which would likely occur within a three- to seven-year timeframe. He added that the station on the north side of Harlow Road was being moved slightly and that a High-Intensity Activated Crosswalk (HAWK) signal would be installed at the intersection of Pheasant Boulevard and Harlow Road. He then demonstrated how the signal would function. He also described planned changes to the Springfield Station that are being made to better accommodate EmX and other service.

In conclusion, Mr. Simmons summarized that there were no changes to the project's bottom line, although there have been some shifting of funds among budget categories. He added that of the 41 property acquisitions for the project, 35 properties had been acquired to date and agreements reached on two others. He then reviewed the project schedule and showed slides of various construction activities.

Fleet Maintenance Building Expansion Update – Mr. Simmons stated that the project budget was \$4,440,366, and Fortis Construction had been hired as the construction management/general contractor. He said that he was pleased with Fortis' performance and noted that more than 80 percent of the subcontractors on the project are local; although, despite aggressive recruitment, only one was a Disadvantaged Business Enterprise (DBE). He said that 8 percent of the Gateway EmX contractors are DBEs.

Mr. Simmons reviewed the project schedule and phasing plan. He estimated completion by April or May 2010. He illustrated the modifications that would be made to the fleet maintenance building in order to accommodate more articulated vehicles.

TOUR OF FLEET MAINTENANCE BUILDING – The Board toured the fleet maintenance building from 6:10 p.m. to 6:30 p.m.

EMPLOYEES OF THE MONTHS – NOVEMBER AND DECEMBER 2009 – Transit Services Manager Sue Quick introduced Bus Operator Seth Hamlin, November Employee of the Month, and Bus Operator Kim Seiders-Baxter, December Employee of the Month. Mr. Eyster presented Mr. Hamlin and Ms. Seiders-Baxter with pins, letters of recognition, and certificates in appreciation for their achievements. Both recipients thanked the Board and expressed their appreciation for having LTD as an employer.

AUDIENCE PARTICIPATION – Mr. Eyster determined that there was no one who wished to speak.

PRELIMINARY REMARKS BY BOARD PRESIDENT – There were no preliminary remarks.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – General Manager Mark Pangborn noted that a second Budget Committee appointment would be added in addition to the one mentioned in the Consent Calendar.

BOARD CALENDARS – Mr. Pangborn highlighted various items on the Board calendars, particularly the Strategic Planning Session with Budget Committee members on December 7. He said that it was possible that the December 16 Board meeting would be canceled if there were no agenda items requiring action from the Board.

Mr. Evans stressed the importance of working closely with Lane County commissioners to educate them about the EmX system and the West Eugene Corridor.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – Mr. Gaydos moved adoption of LTD Resolution 2009-024: It is hereby resolved that the Consent Calendar for November 18, 2009, is approved as presented. Mr.

Kortge provided the second. The Consent Calendar consisted of the minutes of the September 16, 2009, Regular Board Meeting; October 21, 2009, Canceled Regular Board Meeting; and appointment of Dwight Collins to the Budget Committee.

VOTE The Consent Calendar was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

MOTION Mr. Dubick moved to appoint Edward Gerdes to the Budget Committee. Mr. Gaydos provided the second.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Special Transit Operations and Jobs and Transportation Act Transit Program Grant Applications for 2009-2011 Biennium - Accessible Services Program Manager Terry Parker highlighted the materials provided in the agenda packet, stating that the Oregon 2009 legislature through the *Special Transportation Operating Program* and the *Jobs and Transportation Act Transit Program* made available a combination of state and federal funds for older adults and people with disabilities. She said that a number of projects already had been approved by a grant review committee composed of members of the Accessible Transportation Committee. She asked the Board to approve the review committee's recommendations.

MOTION Mr. Gaydos moved approval of LTD Resolution 2009-025: It is hereby resolved that the LTD Board of Directors approves the LTD Consolidated Applications for Special Transportation Operations and Jobs and Transportation Act Transit Program for Fiscal Year 2010 through Fiscal Year 2011 as submitted. Mr. Evans provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

LTD Salaried Employees' Retirement Plan Amendment – Director of Human Resources and Risk Management Mary Adams explained that the amendment would establish a program that allows employees to retire, but to continue to work up to an additional 1,039 hours after retirement when it is in the best interest of the District. She said that the practice is common for public employees covered by the Oregon Public Employees Retirement System (PERS). She added that under the amendment, the practice would expire on December 31, 2010. The Internal Revenue Service (IRS) was implementing new regulations effective January 1, 2011, that could affect an employer's ability to employ someone beyond the retirement date. She introduced Everett Moreland, Hershner Hunter Attorneys, who provided further details on the proposed amendment.

Mr. Moreland described the current provisions that allow for retirement at age 60, or at 56 with 30 years of service. He stated that there was some risk involved if employees retired under the amendment during 2010 since this type of provision was not yet approved by the IRS. Risks may include an amnesty fee that would have to be paid, along with associated legal fees.

Mr. Kortge asked who would be responsible for paying the fee. Mr. Moreland replied that the fee was a negotiated amount and would have to be paid by LTD, but legal fees would be paid by the plan once the amendment was adopted. He explained that the employee could also be faced with repayment of up to six months of benefits to the plan. The Board would need to decide if the ability to retain an employee for a period of time after retirement was worth the financial risk. He said that the amendment would be submitted to the IRS in late 2010, but it could take three to four years before there was a final decision.

MOTION Mr. Kortge moved approval of LTD Resolution 2009-027: The LTD Board of Directors hereby approves the Seventh Amendment to the Lane Transit District Salaried Employees' Retirement Plan as stated in the attached document and directs the General Manager to sign the Seventh Amendment on behalf of LTD.

In response to a question from Mr. Gaydos, Ms. Adams said that she believed the amendment would provide the District with some flexibility that it currently did not have, and that would be a benefit.

Mr. Gaydos seconded the motion.

Ms. Towery commented that the amendment represented a common practice among public employers.

Mr. Dubick added that the practice often resulted in cost savings to public agencies by retaining expertise during a transition period while not contributing to a retirement plan on the retiring employee's behalf. He doubted that the IRS would disapprove of the amendment, given its approval of similar provisions in other plans.

Mr. Evans called for the question.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Pension Plan Trustee Appointment – Ms. Adams stated that Mr. Kortge, currently Pension Trustee-elect, had participated in the necessary training to become qualified as a pension plan trustee.

MOTION Mr. Kortge moved LTD Resolution 2009-028: The LTD Board of Directors hereby approves the appointment of Board Member Dean Kortge to the position of Pension Trustee, to represent the Board of Directors on the Lane Transit District and Amalgamated Transit Union Local No. 757 Pension Trust and the Lane Transit District Salaried Employees' Retirement Plan.

VOTE The motion was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Mr. Kortge said that speakers at a recent training session indicated that 5 percent was a more realistic assumption for the rate of return on pension plans than the 7 or 8 percent assumptions currently being used by plan providers.

Purchase of Property for the Veneta Station and Ride and Park - Assistant General Manager Stefano Viggiano stated that LTD had received a ConnectOregon grant for the development of a station and Park and Ride lot in Veneta. He said that the District had identified a suitable site and a willing seller. He asked the Board to approve the resolution, which would enable the property acquisition to move forward.

MOTION Mr. Gaydos moved approval of LTD Resolution 2009-026 authorizing Lane Transit District to acquire by purchase or by exercise of the Power of Eminent Domain real property necessary for the Veneta Station and Park and Ride lot. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports – Mr. Gaydos commended LTD for its outstanding public outreach with respect to the West Eugene EmX Extension. He added that an office where people could go for information was being established at the Eugene station. He thanked staff for their efforts.

Mr. Eyster said that Eugene City Councilor Andrea Ortiz sponsored a West Eugene EmX public information event at Plaza Latina on November 17. Mr. Eyster reported that the formation of a local Area Commission on Transportation (ACT) was the topic of a meeting held by the Lane Council of Governments. He said that LTD would be a member, but it had not yet been determined if the District would have voting rights on the ACT.

Mr. Eyster said that at a recent meeting of the Land Conservation and Development Commission, LTD's collaboration and the importance of EmX to the transportation system had been praised by both Eugene and Springfield.

Mr. Eyster also reported that the Metropolitan Policy Committee had formed a subcommittee to develop recommendations for State Transportation Improvement Program-Urban priority funding.

Mr. Pangborn reported that the American Institute of Architects had bestowed awards to LTD for its green line shelter design and for the Gateway Station. The District also had received an award from BluePath Directory of Businesses Committed to Accessibility for efforts in the area of accessibility.

Impact of Fares on EmX – Mr. Viggiano presented a preliminary report with a more complete report to be provided in early 2010. He said that October was the first full month of charging fares for the EmX and that ridership was down by approximately 4 percent, which was close to the estimated impact.

In response to questions, Ms. Quick said that spot-checking of fares was being done without increasing security, and there had been few problems to date.

Monthly Financial Report – October 2009 – Director of Finance and Information Technology Diane Hellekson commented that the District was managing expenditures very effectively, but reminded the Board that the fixed-route service had been sustained with a one-time infusion of \$3.2 million in federal stimulus funds. She added that payroll taxes were 12 percent lower than they were last year and that some major adjustments to service would probably be necessary in Fall 2010 to address a potential deficit.

Monthly Department Reports – Mr. Vobora reported that efforts by the private contractor hired by the University of Oregon to implement Civil War football shuttles were going well. He said that 80 buses were being brought in. He then provided an overview of the logistics for game day.

MOTION EXECUTIVE SESSION – Mr. Kortge moved that the Board meet in executive session pursuant to ORS 192.660(2)(i), to review and evaluate, pursuant to standards, criteria, and policy directives adopted by the governing body, the employment-related performance of the general manager of LTD.

VOTE Mr. Gaydos provided the second, and the motion carried as follows:
AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Executive Session began at 7:38 p.m.

RETURN TO REGULAR SESSION – The Board returned to open session at 8:20 p.m.

ADDITIONAL ANNOUNCEMENTS – Mr. Eyster announced that efforts were being made through the Metropolitan Policy Committee to form a committee that will choose a locally preferred alternative for the West Eugene EmX Extension. LTD Board members Mike Eyster, Dean Kortge, and Greg Evans will serve on the committee.

ADJOURNMENT - Mr. Eyster adjourned the meeting at 8:22 p.m.

Board Secretary

MINUTES OF DIRECTORS
STRATEGIC PLANNING WORK SESSION
LANE TRANSIT DISTRICT
SPECIAL MEETING

Monday, December 7, 2009

Pursuant to notice given to *The Register-Guard* for publication on December 3, 2009, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a strategic planning work session on Monday, December 7, 2009, in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present:

Board

Mike Eyster, President
Greg Evans, Vice President
Dean Kortge, Secretary
Ed Necker, Treasurer
Doris Towery
Mike Dubick
Gerry Gaydos

Staff

Mark Pangborn, General Manager
Stefano Viggiano, Assistant General Manager
Diane Hellekson, Director of Finance
Mary Adams, Director of Human Resources and Risk Management
George Trauger, Director of Maintenance
Tom Schwetz, Director of Planning and Development
Andy Vobora, Director of Service Planning, Accessibility, and Marketing
Steve Parrott, Information Technology Manager
Charlie Simmons, Facilities Services Manager
Jeanne Schapper, Administrative Services Manager/Clerk of the Board (Recording Secretary)
Todd Lipkin, Financial Services Manager
Carol James, Chief Accountant/Internal Auditor

Budget Committee:

Jon Hinds
Donald Nordin
Edward Gerdes

CALL TO ORDER AND WELCOME: The meeting was called to order by Board President Mike Eyster at 2:04 p.m.

Mr. Eyster welcomed those present; and Board members, Budget Committee members, and LTD staff introduced themselves. Gary Gillespie, who will be joining the Board in January, introduced himself.

Mr. Eyster stated that the purpose of the session is to provide staff with direction on issues that will affect the budget for the next fiscal year.

STATUS OF CURRENT YEAR BUDGET: Ms. Hellekson referred the Board to the December 2008 strategic planning session. That discussion focused on the current recession, and the worst case scenario prediction at that time was that payroll tax receipts would be down perhaps one to two percent. The hope was to survive the recession by cutting service. That cut was averted because LTD used \$3.2 million in American Reinvestment and Recovery Act (federal stimulus) funds to offset operating expenses. One year later, a very deep recession has been confirmed, and payroll tax receipts are 12 percent below the previous year.

More will be known in February than is known now in terms of payroll tax receipts. By then it also may be better known if there will be another wave of stimulus money in the coming year. The Oregon Economic and Revenue Forecast has been incredibly depressing during the last 12 months. There are now hints of optimism, however. According to the report, using 2007 as a jobs base, it will be 2013 before Oregon recovers the jobs held in 2007. It is predicted that the state will still see job losses

through the next calendar year. Therefore, payroll tax receipts, which are based on the number of people working, will be a major concern for LTD. There may be a 2 percent increase in jobs by the end of 2011; but, because of the number of companies and agencies that have used furloughs and scaled back hours to cut payrolls, the first recovery will be to restore those hours, not to create new jobs. The state may experience a very high unemployment rate extending through 2010.

This recession is deep. It is not similar to the one that occurred in 2001/2002, which was relatively shallow. This recession is similar to the one that occurred in the 1980s. As a result of that recession, LTD cut 30 percent of service.

Seventy to seventy-five percent of operations is funded by the payroll tax. If payroll tax receipts are reduced, it follows that service also will be reduced. Other reductions will be explored as well.

As previously allowed by Oregon Revised Statutes, and in accordance with LTD Ordinance 40, the payroll tax rate is scheduled to increase to 0.66 percent in January 2010, and by 0.01 percent every year thereafter, until reaching the 0.7 maximum percent rate in January 2014. The 2009 Legislature approved a change to the payroll tax growth provision by allowing the rate to increase to 0.8 percent over ten years. The increase can only be taken after the Board adopts a finding of economic recovery, which seems very unlikely through 2011.

Staff recommend assuming a January 1, 2013, implementation of the payroll tax increase, which would require Board action to amend the payroll tax statute sometime in the fall of 2012.

Mr. Pangborn added that because Board action is required in Fall 2012, the Board would need to have a sense of purpose in late spring or summer of 2012. That would be indicated by a sense in 2011 that the economy was improving. The last time LTD increased the payroll tax, a private economic consulting group was commissioned to determine if the community was coming out of a recession and if it would be reasonable to assume that the current economic conditions would continue for some time. The study provided the Board with some substance upon which to make its decision. The political decision, however, is asking the local payroll tax payers (the business community) to be able to sustain an increase in the amount of taxes they will pay over a ten-year period. The increase goes up .0001 each year. The message goes to Chambers and business groups with the hope of receiving an "O.K." from the business community. If a decision were to be made in October 2012, the consulting group would need to be commissioned in the spring or summer of 2012 in order to have data by fall. The data then needs to be relayed to the business community in order to provide them with the opportunity to give feedback regarding the increase.

Mr. Dubick added that it appeared the District is assuming that job losses will bottom out during the last quarter of 2010. In order to implement a change in 2013, about a year and a half of jobs returning and economic upturn would be needed before attempting to make a case to the community. Mr. Dubick indicated his support for the 2013 implementation date.

Mr. Gerdes reported that he had just returned from a restaurant finance industry conference. The economists at the conference were projecting that by the end of next year, national unemployment will be at 14 percent, which is much higher than is being experienced by the local community at this time. In other words, those economists were quite pessimistic about where the economy was heading. Mr. Gerdes indicated that Payroll Tax Receipt Option 1, which indicates that receipts would decline 10 percent, is too optimistic. Putting that assumption with the options for implementation of the payroll tax rate, it would make sense to do an increase when more money is needed, and the rate would need to increase sooner so that fewer services would need to be cut; and not build on the idea of adding additional services in 2013 to match the 2007 job numbers.

Mr. Pangborn reiterated that with the rate increase, either the amount of cuts will be reduced or service will be added. Nevertheless, the Board has to find that the economy has recovered sufficiently to sustain the rate increase. The recovery may not be sufficient to avoid service cuts, and the argument would be that implementing an increase would avoid having to cut more service.

Mr. Gerdes asked about the criteria used in determining when and if the local economy were improving sufficiently to warrant a tax increase. Ms. Hellekson answered that it is assumed that the consultants used in the future study would use the same criteria as was used in previous studies. It would not be a return to the previous standard, however.

Ms. James added that during the last study, the consultants had reviewed growth of jobs and payroll, unemployment rate, housing starts, and possibly retail information—basically the economic indicators that were being discussed in the press at the time.

Mr. Pangborn added that when the press reports indicated an improvement in the economy, LTD staff began conversations with, and requested feedback from, the two Chambers concerning increasing the payroll tax rate and what the money would be used for. There was some reluctance on the part of some community leaders, but, overall, the response was supportive. Ms. Hellekson commented on the timing of the last report: the report was commissioned in winter, the report was available in the spring, the Board reviewed the findings during the spring meetings, and the summer was spent selling the information to the community. The ordinance was modified in the fall.

Ms. James mentioned that she believed the report cost approximately \$7,500.

In response to a question from Mr. Eyster, Mr. Gerdes said that he believed that Oregon would be hit harder economically than the rest of the nation.

In response to a question from Mr. Evans regarding economic projections, Ms. James reported that one payroll tax payer that is substantially larger than everyone else announced in April a \$17 million operating budget reduction. This resulted in a substantial reduction in payroll tax receipts to LTD for the past quarter. Of the next ten largest payroll tax payers, two have gone out of business and another substantially reduced its business operations. It is unknown if and when those jobs may come back. Of the remaining payroll tax payers, most are cutting budgets in some way. Construction jobs are difficult to track since one job may have 15 contractors.

Mr. Gerdes said that he believed there will be a greater drop in payroll taxes; therefore, more cuts will happen sooner. He recommended a 2011-2012 implementation and to set specific criteria that will determine when the economy has turned around.

In response to remarks from Mr. Necker, Ms. Hellekson reiterated that this afternoon's meeting is set in order for the Board to give staff direction regarding possible service and budget reductions. Service Planning staff need a good deal of time to investigate and develop alternative service packages.

Mr. Hinds stated his belief that 2014 is too late and 2011 is too early to sell anything to the business community. He favored 2012 for the rate change implementation.

Ms. Towery added that in the new year, the District will have more information, including the outcome of the ballot measures that will be voted upon and will help determine the political arena. Mr. Gillespie mentioned that the Cities and the County are considering the impact of possible reform of Measure 50 during this next legislative session.

Mr. Evans reminded the Board that any service reductions will have a major adverse impact on the transit dependent, which, in turn, affects employers. Many employees won't get to their jobs if they don't have a bus that will get them to work in a reasonable amount of time. Mr. Evans added that he hears from employers that believe LTD needs to provide more service, rather than less service.

FEDERAL, STATE, AND LOCAL REVENUE:

Federal: Mr. Viggiano stated that the surface transportation bill (SAFETEA-LU), a six-year bill passed by congress, expired on September 30, 2009. Since that time, a continuing resolution has been in effect, extending the funding at the same general rate as the expired bill. The current continuing resolution expires December 18, 2009. Sometime between now and then, congress will need to take action to extend the resolution. There is little possibility of a new transportation bill being developed any time soon—probably not until 2011. Congress will probably approve continuing resolutions that will extend until the new bill takes effect. One- or two-year, stimulus-type funding that has been mentioned is separate from the transportation bill; it will be in the form of a jobs/transportation bill, which will be similar to stimulus funding and is in addition to the regular transportation funding. Only 6 percent of stimulus funding went to transportation; however, it was learned that the stimulus funding that went to transportation was most effective in creating jobs. Accordingly, the bill that is being discussed now would put a greater percentage of funding towards transportation. The House will begin discussing the bill this month; the Senate is absorbed in the health bill discussion, so it is not expected to review the jobs/transportation bill until January or February. By that time, the District should have a better idea if there will be additional funding and, if so, what the amount will be. If approved, the bill would provide additional formula funds that can be allocated in any way that fit the rules of the program. There also will be some discretionary funds for which LTD can apply. In February the District should have an idea of any anticipated federal funds and also current payroll tax information and will be in a better position to determine the service package. The recommendation for the current Draft Long-Range Financial Plan is that no funding from these sources be assumed. The District has been transferring some federal formula funds received and using them for preventative maintenance, which is an operating cost. Mr. Viggiano added that if and when a new transportation bill is approved, it is likely to have more emphasis on transit, than the recently expired bill. For example, the House bill had 20 percent of funding going to transit, compared to 15 percent in the old bill, SAFETEA-LU.

State: A total of \$32 million per biennium for Elderly and Disabled Transportation was approved statewide by the 2009 Legislature. (LTD's allocation of the \$32 million total is \$1.2 million per year.) Most of those funds (\$20 million) were through the Surface Transportation Program (STP), which are federal funds that are received through the State; and the Oregon Transportation Commission determines what portion is distributed to transit. That funding appears fairly stable. However, the \$10 million from the State General Fund is vulnerable if the income and/or corporate tax ballot measures are rejected by voters in January. In addition, as a General Fund expenditure, the funding requires approval by the legislature every session, which puts continued funding in jeopardy. The gas tax will likely start in January 2011, and LTD will receive a small portion. Due to constitutional restriction, the gas tax revenue generated from vehicles can't be used for transit; however, revenue generated from the gas used for other equipment, such as lawn mowers, can go to transit. That could amount to \$2.2 million statewide for the biennium.

Staff recommend Option 2: to assume that the general fund money will not continue beyond this year, but that the STP will be a continuing source of revenue for LTD. That may be a conservative assumption because legislators indicate a commitment to finding a replacement revenue source for the loss in \$10 million general fund money. A medical cap deduction may be discussed in the next legislative session, but if not, certainly in 2011.

Local: Some of the STP federal money that is allocated by formula comes to the state, with some going directly to metropolitan areas greater than 200,000, which includes Eugene-Springfield. These funds are Surface Transportation Program-Urban (STPU). The local Metropolitan Policy Organization (Metropolitan Policy Committee) decides how to allocate the funds, whether for roads, pedestrians, or transit. For the past year, LTD has been discussing with partner agencies a \$500,000 allocation to transit, which could offset some operating costs in order to maintain service. Staff are fairly optimistic that \$1.5 million in STP-U funding will be allocated to LTD during the next three-year period. The staff recommendation is to not assume any other local funding.

Mr. Eyster added that LTD voluntarily passed on its STPU request this year, with the understanding that the funding request for transit would be made during the coming three years.

Board members expressed agreement with the recommendation, with the understanding that the issue would be revisited in a couple of months.

FARE CHANGES: Mr. Vobora gave an overview of the proposed fare changes. Fares account for between 15 to 23 percent of operating revenue. The 2008 fare changes were a deviation from a policy that's been in effect since the 1980s for small, incremental rotating fare price increases. LTD deviated from that policy twice: once during the 2001-02 recession, and in 2008, with across-the-board changes to the fare structure. Fare increases also adversely affect the Group Pass Program. Royal Caribbean has dropped the program; and PeaceHealth is also considering dropping the program, which amounts to a \$270,000 loss of revenue. Agreement was just recently reached with the UO regarding the current year contract; the UO is just beginning the budget process for next year.

In response to a question from Mr. Necker, Mr. Vobora indicated that price increases can suppress demand. When service is cut, buses may be filled beyond capacity, and pricing can suppress demand. However, staff did not feel that it was the right time to raise fares significantly.

It is desired to return to small, incremental fare increases. There were no fare increases this year, so staff recommend Option 3, which is small pass increases in 2010, followed by a change in cash fares the following year.

Mr. Vobora described the new fare management system, which would involve upgrading of the fare boxes. The newer boxes count change, verifying the amount paid. The system can be upgraded to recognize payment cards. The advanced systems allow tracking of riders.

The Board indicated its concurrence with the staff recommendation.

CAPITAL IMPROVEMENTS PROGRAM (CIP): Mr. Lipkin stated that the practice of programming funds in the Capital Improvements Program (CIP) for the preventive maintenance program began with the 2010-2017 CIP. Projects were cut or deferred to free \$1 million per year. When combined with the engine kits/tire funding that was previously in place, a total of \$1.2 million was programmed annually for preventive maintenance. During the CIP drafting process, \$2 million in uncommitted funds remained. This amount has been programmed into the first four years (\$500,000 per year) of the draft CIP to fund additional preventative maintenance. The draft plan assumes that essential capital needs are funded, including bus replacement. Mr. Pangborn added that buses are typically replaced at 15-18 years, which is three to six years beyond their life expectancy. The recommended budget scenario proposes borrowing money for bus replacement and then paying off the loan over a twelve-year period.

Mr. Lipkin stated that staff recommend programming \$1.2 million of federal formula funds annually and the additional \$2 million over the first four years in the Capital Improvements Program to be used for preventative maintenance. The Board concurred with the recommendation.

GERRY GAYDOS' FAREWELL: Board President Mike Eyster thanked Mr. Gaydos for his years of dedicated service to LTD and to the community and presented him with a wooden bus, to which Mr. Gaydos replied that he preferred an articulated bus. Mr. Gaydos also was presented with his formal portrait and a plaque listing his years of service on LTD's Board.

Mr. Pangborn stated that Mr. Gaydos is the epitome of the dedicated Board members that have served over the years. The District will miss him dearly.

Mr. Gaydos responded that the LTD Board and staff are outstanding, have a sense of mission and purpose, and have dedicated themselves to helping the system move in a very positive direction. He added that LTD has accomplished a lot in its fairly short life, including being on the threshold of innovation such as bus rapid transit. The District should be commended as a good steward of public dollars and for its service to the community. There are challenges ahead, and Mr. Gaydos stated his confidence that LTD would meet the challenges squarely.

BREAK: The Board recessed from 3:36 p.m. to 3:52 p.m.

Mr. Evans left the meeting at 3:50 p.m.

FUEL COST: Mr. Trauger indicated that fuel prices seem to have settled down, but still fluctuate periodically. On July 10, 2009, fuel was lowest at \$1.20 per gallon; the highest price was \$2.20 per gallon on October 22, 2009. Tyree Oil is storing 450,000 gallons of LTD's fuel in a tank in Coos Bay at a cost of \$1.68 per gallon and is being used as a buffer to manage fuel costs. The stored fuel has a shelf life of 18 months; however, the addition of stabilizers can increase the shelf life somewhat. Nevertheless, at some point, the fuel needs to be drawn down. Without including the fuel stored in Coos Bay, the cost per gallon for fuel has averaged \$2.00 per gallon during the past five and a half months, which was the amount budgeted. Currently the price is fluctuating between \$75 and \$85 per barrel (approximately a 14 percent increase). The price for fuel is projected to be about \$2.30 per gallon. In addition, Oregon has now mandated a 2 percent biofuel mix, which equates to an additional \$.02 to \$.05 per gallon.

It is difficult to predict future prices for fuel; there are too many variables. Staff recommend assuming an average price of \$2.35 per gallon (15 percent increase), with 5 percent increases in future years.

Mr. Kortge asked that if fuel purchased at \$1.68 is used for half the next year and the District has to pay \$2.35 for the other half of the year, shouldn't the budget reflect the average at around \$2.15? Isn't the recommended assumption of \$2.35 per gallon too high? Mr. Lipkin responded that, given the price fluctuation the past year (reaching \$4.00 per gallon), the recommendation may not be too conservative. The Board thanked Mr. Trauger for his report.

PERSONNEL COSTS:

Personnel Services: Ms. Adams reported that the two areas of personnel-related expenses, pension costs and personnel services costs, would be discussed separately. Personnel Services is related to wages and insurance. LTD is currently in the third year of a three-year collective bargaining agreement that called for a 3.6 percent increase in wages during this fiscal year for represented employees. Non-

represented (administrative) employees have had a salary freeze during the past year. What is happening in the health care industry also affects personnel services. Five years ago the District moved to a different health care model, which includes a higher deductible plan with a health savings account of one form or another. Since that change, the District has experienced relatively low premium increases—less than a 22 percent increase over the four years prior to this last year. During the current year, the District has experienced a couple of relatively expensive claims and LTD's premiums increased dramatically—a 15 percent increase this year alone. It is expected that the contract year for the health plan will probably be more expensive in this next year as well. One of the recommendations that staff are making reflects the 15 percent increase in cost for health care. The 15 percent premium equates to a 2.5 percent increase in the total cost for personnel services.

The second option assumes that a way to reduce the cost of the health care plan is found. The third option assumes wages and health care costs both increase. The conservative first option that staff recommend to the Board assumes no wage increases for any staff (administrative or represented), and continue with the 15 percent health care increase this next year with a 10 percent increase in the following years.

Ms. Towery asked about a brokerage firm to investigate the District's options for health care. Ms. Adams responded that the District uses a broker model. A request for proposal is put out for the health plan each year. The broker negotiates with carriers, and staff are confident that LTD's broker is getting the most competitive rates.

Mr. Gerdes asked about self-insurance rates. Ms. Adams mentioned that LTD went to the self-insured model for dental two years ago, and, so far, the District is dollars ahead. Dental has a much lower risk, and it is much easier to predict what will happen with the plan. Staff reviewed the self-insurance model for medical this past year because it was likely that rates would go up. It was decided not to go in that direction this year because claims are more unpredictable than they've been in the past. The idea could be revisited in the future. Through negotiations with the broker, LTD was able to stay at the 15 percent increase cap under which it currently operates.

Mr. Kortge cautioned LTD as a public agency on being self-insured, since a rash of bad claims can result in extremely high reinsurance rates, and the risk would be quite public. Ms. Adams said that the District is focusing on wellness and preventive measures to increase employees' overall health and potentially lessen claims.

Mr. Gillespie suggested that this topic be revisited in the spring when the outcome of the national legislation on health care is known, including what the public option looks like.

Mr. Dubick proposed another option: assume an increase in personnel costs of 2.5 percent, but not specify how it's distributed, allowing some flexibility with wages and benefits—especially with forthcoming union negotiations.

Ms. Towery asked that staff survey the local community to determine common wages and benefits. It would not sit well in the political arena if LTD were to increase wages and benefits and cut service, while other public and private sectors are taking active measures to reduce budgets by reducing wages and benefits—sometimes significantly. Mr. Pangborn reiterated that more current information will be brought back to the Board regarding these issues.

Mr. Gerdes agreed with a certain percentage increase assumption, but without allocating it to a specific benefit. However, he suggested a range in the proposal: negative 2.5 percent to positive 2.5 percent, a range that assumes administrative cuts that reflect what is happening in the private sector.

Pension Cost: LTD has two pension plans: one for union employees and one for administrative employees. Staff recently received the actuarial assessment for the salaried plan, which revealed that LTD's contribution will go up about 1.5 percent of payroll. The assessment for the ATU plan will be done in 2011. All options reflect the 1.5 percent increase in the Salaried plan. The question is what to assume for the represented plan.

The first option assumes no increase in the ATU plan contribution at this time; the second option assumes up to a 3 percent increase, and the third option assumes that the contribution will increase by more than 3 percent.

Both plans are underfunded, which means that more needs to be contributed to rebuild both plans. This has been done incrementally over time in order to reduce the unfunded liability. That is why no reduction is recommended in the contribution. Staff recommend Option 2.

Mr. Pangborn added that this is not assuming any increase in benefit. Both plans are defined benefit plans, per contract and employment law for public employees.

Mr. Kortge reiterated that LTD uses a 7.5 percent growth rate. He reported that at a recent national benefits conference that he attended, it was strongly suggested that a 5 percent increase should be assumed. Dropping 2 percent off actual growth assumptions, LTD should be funding 8 percent more than what is being discussed. Perhaps the assumptions are too conservative.

Mr. Eyster indicated that the staff recommended assumption would have to do for now. Ms. Hellekson added that better indicators of what the assumed percentage should be will come in the spring. Mr. Pangborn affirmed that all options, including possibly moving sometime in the future to a defined contribution plan, will be reviewed, and viable options will be brought back to the Board in the spring.

Mr. Gaydos left the meeting at 4:35 p.m.

RIDESOURCE COST: Mr. Vobora indicated that some cost factors are down, which could be related to the brokerage efficiencies. More will be known after receipt of the brokerage first-year report is received in late spring/early summer. Staff have been able to leverage state and federal grants, which is hoped will continue. If it does not, a move back to coverage through the general fund would be required. RideSource ridership is continuing to increase.

Staff recommend Option 2: assuming the District maintains the current growth rate of approximately 10 percent annually based on more recent growth trends.

MATERIALS AND SERVICES COSTS: Mr. Pangborn indicated that a reduction in service is needed since there is insufficient money to fund the current level of service, and service is where the bulk of LTD's funds are spent. Staff reviewed all of the components of LTD's budget for materials and services, and Mr. Pangborn briefly introduced some of the priorities for maintaining activities and services. He indicated that staff feel, however, that it's "penny wise and pound foolish" to not continue some basic kinds of training, asset preservation, staffing, etc., to maintain basic services. Nevertheless, staff are continuing to look for other ways to save that are beyond service cuts.

The conundrum with the next budget is the implementation of the next EmX extension in January 2011 (essentially adding service) at a time of service reduction elsewhere in the system. One year of the new extension equals \$1 million of additional service. The commitment of EmX has been made to the community and will be carried out.

Mr. Kortge indicated his support of staff training and its value to the organization. He indicated that any cuts in that area should be reviewed carefully.

BUDGET REDUCTIONS/SERVICE LEVEL: Ms. Hellekson referred the Board to the Long-Range Financial Plan (LRPF) handout. The upper model assumes a 10 percent reduction in payroll tax receipts, or \$20,500,000; assumes no growth in Year 1; and 3 percent, 4 percent, 5 percent growth in years 2, 3, and 4, and 6 percent growth per year thereafter. The second model assumes slightly more optimistic payroll tax receipts in the first year, \$21,500,000. The District is required to maintain \$3 million in reserves at all times. That figure comes from: 1) LTD is self-insured for the first million dollars in catastrophic accidents. In a bad year, cash would need to be on hand to cover excess losses. 2) Protection against an interruption in the current year in payroll tax of \$1 million in current year working capital. If that was spent in one year, another \$1 million would be needed in working capital for the subsequent year. This is a dramatic deviation from previous years' policies, which were 25 to 40 percent of operating expenses, requiring considerably greater reserves. The Board had decided to reduce reserves, partly due to sustain fixed-route service stability and partly because it felt that the payroll tax was a stable source of local revenue.

In the first model, a \$3 million service reduction is indicated in Year 1, followed in Year 3 by a \$3.5 million service reduction. Due to pressure from the community to maintain service, making the larger cut the first year was not considered.

Mr. Vobora said that service planners are using the 15 percent cut scenario that was developed this past year during that budget crisis as a foundation for service cut scenarios for this next year. Staff are targeting an approximate 20 percent reduction in service for this next year. Additional percentages of service cuts also will be examined as part of a possible second level of cuts. These scenarios will be shared with the public in early January to receive feedback. The public process will be more condensed this time than last time, ending around April, in order to prepare for fall implementation.

In response to a question from Mr. Kortge, Mr. Lipkin added that a 20 percent reduction equates to roughly \$2.7 million.

Mr. Kortge clarified that the \$5.25 million one-time reduction shown in the first model of the LRFP reflects an approximate 40 percent reduction in service. Mr. Vobora confirmed, adding that other system changes would be involved in the larger cut such as service on fewer days of the week, shorter service hours, and cutting administrative and system support.

Mr. Lipkin added that both LRFP scenarios reflect a \$3 million cut in Year 1, with the understanding that there are a lot of unanswered questions, such as possible stimulus funds, that will be revisited. Mr. Pangborn added that the first scenario reflected a \$6.5 million cut over three years. Spreading the cuts over a time gives the opportunity to consider funding sources that may be coming during the time, along with the possible upturn of the economy. On the other hand, taking a full \$5 million cut in the beginning is quite radical and possibly preempts possible positive factors. The \$3 million cut, followed by the \$3.5 million two years later is a "middle of the road" view. Another difficult casualty of cuts is losing the newer drivers--those that have just been trained and are committed to the future of the organization.

Mr. Pangborn added that service cuts come in packages. A 20 percent cut may not be viable; it may be 19 or 21 percent.

Ms. Hellekson reiterated that any major service reduction requires major community outreach, including public hearings, which takes time.

Mr. Kortge added that this process should involve Board members and staff reaching out to city councils and letting them know what is happening. Mr. Eyster agreed and expressed doubt that the councils would be surprised at the current situation. Ms. Towery agreed, adding that, just from the political environment, the more proactive the organization is, the better—especially since they represent LTD’s funding source.

Mr. Hinds reminded the Board of the importance of getting the message to the Metropolitan Policy Committee (MPC) as well. Mr. Vobora responded that staff have visited with the MPC Citizens’ Advisory Committee, the Transportation Policy Committee, and Springfield Public Works concerning EmX service and possible service changes. Staff also will hold open houses throughout the District in order to gauge the sentiments of the public. Input will then be returned to the Board Service Committee for recommendations to the full Board. Mr. Vobora added that staff had recently met with TriMet staff to see how they dealt with implementing service cuts at the same time they were opening the new MAX line. Since the Portland community loves rail, that process went pretty smoothly for TriMet, which is not quite the same situation that LTD is facing. Salem-Keizer Transit (SKT) recently had a major restructuring (including cutting Saturday service) of a system that was in place for its entire existence. The system is now corridor-based and much more efficient than it had been. SKT’s funding source, in some ways, is more stable than LTD’s.

Mr. Necker added that LTD’s message should include the fact that EmX helps to retain service, covering neighborhoods that had previously needed three lines to cover. Mr. Pangborn added that, if this addition is as successful as the first EmX line, LTD will be carrying more people and spending the same money as it would have going elsewhere into the community.

Mr. Lipkin asked for clarification on the options: the Board is recommending the staged cuts and the \$3 million cost reduction assumption. The Board members concurred.

ANNOUNCEMENTS: There will be no Board meeting in December.

ADJOURNMENT: The work session was adjourned at 5:03 p.m.

Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, December 16, 2009

The regular meeting of the Board of Directors of the Lane Transit District scheduled for Wednesday, December 16, 2009, at 5:30 p.m., was canceled due to a lack of agenda items requiring action.

Board Secretary

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2009

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

ACTION REQUESTED: None

BACKGROUND: At the conclusion of each fiscal year, an independent audit of Lane Transit District's financial statements and internal controls is performed. The results of the independent audit are incorporated into the District's *Comprehensive Annual Financial Report* (CAFR). The completed FY 2008-2009 CAFR was provided to Board members by mail in December 2009.

Charles Swank of Grove, Mueller & Swank, P.C., will attend the January 20, 2010, Board meeting to make a presentation and answer any questions Board members may have about the audit process or results.

ATTACHMENT: None. (The audit report and audited statements are wholly contained in the *Comprehensive Annual Financial Report*.)

PROPOSED MOTION: None

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AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 20, 2010
- ITEM TITLE:** ACCEPTANCE OF AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2009
- PREPARED BY:** Diane Hellekson, Director of Finance & Information Technology
- ACTION REQUESTED:** Board acceptance of the independent audit report for the fiscal year ending June 30, 2009
- BACKGROUND:** At the conclusion of each fiscal year, an independent audit of Lane Transit District's financial statements and internal controls is performed. The results of the independent audit are incorporated into the District's *Comprehensive Annual Financial Report* (CAFR). The completed FY 2008-2009 CAFR was delivered to the Board of Directors in December 2009.
- Staff has submitted the previous thirteen CAFRs to the Government Finance Officers Association (GFOA) of the United States and Canada for consideration of the award for excellence in financial reporting. The award was granted to LTD for all thirteen reports. After Board acceptance, staff will submit the FY 2008-2009 CAFR to the GFOA in an attempt to continue a tradition of reporting excellence as evidenced by the financial reporting award. Special recognition should be given to Carol James, chief accountant/internal auditor, for her work on the current CAFR.
- ATTACHMENT:** None. (The audit report and audited statements are wholly contained in the *Comprehensive Annual Financial Report*.)
- PROPOSED MOTION:** I move the following resolution:
- LTD Resolution No. 2010-002: Resolved, that the LTD Board of Directors received the Independent Audit for Fiscal Year 2008-09 in December 2009, and accepts the Independent Audit Report for the fiscal year ending June 30, 2009.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: 2010 FEDERAL FUNDING REQUESTS

PREPARED BY: Stefano Viggiano, Assistant General Manager

ACTION REQUESTED: Every year LTD participates with Lane County; the cities of Eugene, Springfield, and Coburg; Willamalane; and Springfield Public Schools to develop a package of federal priorities. This effort, called the United Front, is intended to provide a coordinated set of local priorities for federal funding. Officials representing each of the participating agencies travel to Washington, D.C., to present these priorities to the Oregon Congressional delegation and various federal agencies. This year's United Front trip is scheduled for March 1-3, 2010.

Attached is a brief description of two LTD funding requests for an annual appropriation. The Board is asked to approve these projects for inclusion in the 2010 Federal Priorities book. Please note that LTD previously submitted funding requests for the reauthorization of the Surface Transportation Bill. Those requests remain active, although a new bill may not be pursued for a year or more.

It should be noted that Congress is discussing a jobs/transportation bill that will likely include funding for transit. The House version of that bill approved last month included \$8.4 billion for transit, which is the same amount of transit funding that was in the American Recovery and Reinvestment Act (stimulus funding) passed in February 2009. The Senate is expected to consider the bill within the next several weeks. That funding could be used for preventative maintenance and/or capital projects.

ATTACHMENT: List of 2010 Federal Funding Requests for Transit

PROPOSED MOTION: I move approval of the following resolution:

LTD Resolution No.2010-003: It is hereby resolved that the LTD Board of Directors approves the projects as recommended by staff for inclusion in the 2010 Federal Priorities book.

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Lane Transit District
2010 Federal Funding Requests

1. West Eugene EmX Extension: Completion of Environmental Analysis

- Description: LTD is in the Alternatives Analysis phase for the second extension (third line) of the EmX bus rapid transit system. The West Eugene EmX will extend the original Franklin line from downtown Eugene to the west. This request would fund the completion of the environmental work and preliminary engineering for the project, up to approximately the 30 percent design level.
- Amount Requested: \$2.0 million
- Source of Funds: FTA Section 5339 Alternatives Analysis

2. Technology Upgrades

- Description: There are two items in this request.
 - The first involves replacing the A system that provides Computer-Aided Dispatch (CAD), Automated Vehicle Location (AVL), Automated Passenger Counting (APC), and automated passenger announcements. This system collects and displays data related to operation of service on the road including, but not limited to, vehicle position, schedule adherence, and passenger boardings. It controls voice communications between dispatchers, supervisors, drivers, and security officers. It provides a graphical representation of operational status. The vendor announced product end of life in 2009. This project would update LTD's system to the latest technology.
 - The second item involves expanding the customer information system that provides real-time bus schedule information on mobile devices, station signs, automated response telephone systems, and websites.
- Amount Requested: \$6.0 million
- Source of Funds: FTA Section 5309 Bus and Bus Related

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: APPOINTMENT OF THREE NEW MEMBERS TO THE LTD BOARD EmX STEERING COMMITTEE

PREPARED BY: Tom Schwetz, Director of Planning and Development

ACTION REQUESTED: Appoint Gerry Gaydos, Josh Skov, and Bobby Lee to the EmX Steering Committee

BACKGROUND:

Gerry Gaydos, having served LTD for many years as a Board member, has indicated interest in participating on the Board EmX Steering Committee. Gerry's detailed understanding of LTD will be of great benefit to the Committee.

Josh Skov is a principle of the Good Company, a research and consulting firm that helps clients measure, manage, and market their social and environmental performance. Josh leads the company's climate services work and also serves on the City of Eugene's Sustainability Commission. He will bring his comprehensive expertise to LTD's EmX implementation.

Bobby Lee is a former Eugene City Councilor and has been very active in a number of community organizations. He has been working for Hynix in a management position and continues to work for them during the plant closure.

ATTACHMENT: None

PROPOSED MOTION: I move approval of the following resolution:

LTD Resolution No. 2010-004: Appointing Gerry Gaydos, Josh Skov, and Bobby Lee to the LTD Board EmX Steering Committee.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: PRESENTATION OF *COMPREHENSIVE ANNUAL FINANCIAL REPORT* FOR FISCAL YEAR 2008-2009

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

ACTION REQUESTED: None

BACKGROUND: The *Comprehensive Annual Financial Report* (CAFR) for the fiscal year ending June 30, 2009, was delivered to Board members in December 2009. This report includes audited statements and the opinions of the independent audit firm of Grove, Mueller & Swank, P.C. Charles Swank, representing LTD's auditors, will attend the January 20 meeting to discuss the audit results. An overview of Lane Transit District's financial position at June 30, 2009, will be presented by staff at the January 20 Board meeting. Board acceptance of the independent audit report for the fiscal year ending June 30, 2009, is scheduled during the Items for Action portion of this meeting.

ATTACHMENTS: Comprehensive Annual Financial Report: Executive Summary

NOTE: The *Comprehensive Annual Financial Report* was mailed to the LTD Board of Directors, regulatory agencies and banks, and other traditionally interested parties. It was also distributed to LTD staff members. Other interested parties may obtain a copy by contacting LTD.

PROPOSED MOTION: None

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Lane Transit District
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2009

EXECUTIVE SUMMARY

Prepared by Diane Hellekson
Director of Finance & Information Technology
January 20, 2010

The *Comprehensive Annual Financial Report* for the most recently completed fiscal year was distributed to the Board of Directors by mail in December 2009. At the January 20 meeting, Charles Swank of the accounting firm Grove, Mueller & Swank, P.C., will provide a positive report of LTD's financial position and controls. LTD has received an unqualified audit opinion, which is included in the report document.

There are several aspects of the financial performance that should be noted. Highlights include the following.

Operating Revenue

- **Fixed-route transportation revenue** increased 5.5 percent as compared to the previous fiscal year. While the growth was positive, it was a significant reduction over the 17.6 percent reported for FY 2007-08. Monthly ridership, as measured by boardings, began to fall in February 2009 due to the increasing severity of the local economic downturn, and the trend continued through the end of FY 2008-09.
- **Accessible services** operating revenue nearly doubled from FY 2007-08 to FY 2008-09 for the second year in a row due to the implementation of a ride brokerage in the spring of 2008.
- **Employer payroll tax receipts** were \$22,169,137, a decrease of 4.9 percent. Receipts were \$1,134,434 below the previous fiscal year. The FY 2008-09 budget anticipated positive growth with receipts of \$25,905,000. The closure of three major local businesses and significant local job losses due to the recession account for this result.
- **Self-employment tax revenue** decreased 10.8 percent versus the previous year. Receipts were \$174,313 below those of the previous fiscal year and \$161,558 below FY 2008-09 budget.
- **State-in-lieu revenue** increased 4 percent, and revenue modestly exceeded budget by \$1,698.

Total operating revenue (including Accessible Services) increased 29 percent. Total operating and nonoperating revenues increased 4.1 percent. Total growth was up versus the previous fiscal year almost entirely due to the effect of the accessible services brokerage services.

Operating Expense

- **Personnel services** increased 7.5 percent. The budget anticipated this growth.
- **Materials and services** decreased by 11.4 percent due to lower cost of fuel versus the previous fiscal year.
- **Insurance** increased 67.5 percent compared to FY 2007-08 due to a negative experience in claims.
- **Accessible Services** expenses increased 46.7 percent due to the expansion of accessible services ride brokerage services.

Total operating expense (including Accessible Services and depreciation) increased 11.8 percent. Total expense less depreciation increased 8.1 percent. The accessible services call center accounted for most of the increase. However, \$635,353 of the growth was the result of a requirement to book Other Post Employment Benefits (OPEB) actuarially estimated expenses for the first time. For Lane Transit District, OPEB expenses are the monthly contribution that is made to retiree health insurance for retirees not yet eligible for Medicare or for supplemental insurance for Medicare eligible retirees.

Farebox Recovery (Fixed-Route Service)

Ratios were as follows for the last ten fiscal years:

1999-00	22 percent	2004-05	21 percent
2000-01	21 percent	2005-06	22 percent
2001-02	21 percent	2006-07	21 percent
2002-03	24 percent	2007-08	23 percent
2003-04	22 percent	2008-09	23 percent

The normal farebox recovery ratios for public transit agencies of comparable size to LTD are in the range of 10 to 30 percent.

System Productivity

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

1999-00	25.706
2000-01	27.008
2001-02	25.421
2002-03	26.627
2003-04	26.555

2004-05	28.644
2005-06	31.377
2006-07	32.379
2007-08	36.225
2008-09	37.162

Fiscal year 2008-09 system productivity was the highest of the last twenty years, despite the ridership losses that began in the second half of the fiscal year. This result broke the record set last year by 2.6 percent.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

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. **West Eugene EmX Extension Corridor Committee (WEEEC):** This committee is a subcommittee of the EmX Steering Committee and is composed of Board members Greg Evans, Dean Kortge, and Ed Necker, along with members of local government and community representatives. At the January 6 meeting, the committee reviewed project updates, with a focus on the public outreach process. The Committee also reviewed the National Environmental Policy Act (NEPA) process and schedule.
2. **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 MPC regular meeting on January 14, the Committee appointed MPC members for the West Eugene EmX Extension project and new members to the Citizens Advisory Committee. MPC was scheduled to take action on the allocation of STP-U funds for LTD, but that item was not approved. It will be reconsidered next month when there is some additional information and analysis.

NO MEETINGS HELD

1. **Board Human Resources Committee:** The Board Human Resources Committee is composed of Chair Mike Dubick and Board member Dean Kortge. The next Committee meeting is tentatively scheduled to be held on February 9.
2. **Board Service Committee:** The Board Service Committee members are Chair Greg Evans, Ed Necker, and Doris Towery. The next meeting is tentatively scheduled to be held on February 12.
3. **Lane Council of Governments (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 next meeting is scheduled to be held on February 25.
4. **EmX Steering Committee:** The EmX Steering Committee is composed of Board members Doris Towery and Greg Evans, and members of local units of government and community representatives. The Committee generally meets quarterly. The next meeting is scheduled to be held on March 2.
5. **Board Finance Committee:** The Board Finance Committee is composed of Chair Dean Kortge and Board members Mike Dubick and Ed Necker. The Committee last met on May 12, 2009. The next meeting has not been scheduled.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: BOARD COMMITTEE ASSIGNMENTS

PREPARED BY: Mike Eyster, Board President

ACTION REQUESTED: None. Committee assignments will be finalized.

BACKGROUND: On December 8, 2009, a tentative list of LTD Board committee assignments was e-mailed to Board members for review. No adverse comments were received regarding the assignments, so those committee assignments are now finalized.

ATTACHMENT: LTD Board of Directors Committees and Special Assignments

PROPOSED MOTION: None.

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LTD BOARD OF DIRECTORS COMMITTEES AND SPECIAL ASSIGNMENTS

January 20, 2010

BOARD OFFICERS (Terms expire 6/30/10)

President – Mike Eyster
Vice President – Greg Evans
Secretary – Dean Kortge
Treasurer – Ed Necker

HUMAN RESOURCES COMMITTEE (meets 2nd and 4th Thursdays, as needed)

*Mike Dubick
Gary Gillespie
Dean Kortge

SERVICE COMMITTEE (meets every other month, or as needed)

*Greg Evans
Doris Towery
Ed Necker

EmX STEERING COMMITTEE – BOARD REPRESENTATIVES

(meets quarterly)
*Greg Evans
Gary Gillespie
Doris Towery

EmX STEERING COMMITTEE Government Representatives:

Lane County Commissioner Rob Handy
Springfield City Councilor Hillary Wylie
Eugene City Councilor George Poling

Appointees: Josh Skov

Bobby Lee
Gerry Gaydos
Sonny Chickering
Steve Gordon
Dave Jewett
Dan Egan
David Warren
Tammy Fitch

JOINT LOCALLY PREFERRED ALTERNATIVE COMMITTEE (JLPAC)

(WEST EUGENE EmX) REPRESENTATIVES

(Will begin meeting in late Spring 2010)

Mike Eyster
Dean Kortge
Greg Evans

METROPOLITAN POLICY COMMITTEE (MPC) REPRESENTATIVES

(meets 2nd Thursday of the month)
Greg Evans
Mike Eyster
Alternate: Mike Dubick

FINANCE COMMITTEE (meetings scheduled as needed)

Mike Dubick
*Dean Kortge
Ed Necker

LANE COUNCIL OF GOVERNMENTS BOARD OF DIRECTORS

(meets every other month - 4th Thursday)
Mike Dubick
Alternate: Mike Eyster

WEST EUGENE CORRIDOR COMMITTEE (a subcommittee of the EmX Steering Committee) (meets 1st Wednesday of the month)

Greg Evans
Ed Necker
Dean Kortge

WEST EUGENE EmX CORRIDOR COMMITTEE Government Representatives:

Eugene City Councilor Jennifer Solomon
Eugene City Councilor Chris Pryor
Lane County Commissioner Rob Handy

Appointees: Larry Reed

Clayton Walker
Will Shaver
Micah Sardell
Anand Keathley
Garrick Mishaga
Kari Turner
Jim Thomas
Ilona Koleszar
Rob Zako
Ric Ingham
Gerry Gaydos
John Woodrich
Rick Reno
Cassidy Clausen
Rick Crinklaw

AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: FEBRUARY LEGISLATIVE SESSION

PREPARED BY: Stefano Viggiano, Assistant General Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: The Oregon State Legislature will meet in February 2010 for a short session between the typical biennial sessions held during odd numbered years. The Legislature held a similar short, mid-term session in February 2008.

It is expected that the 2010 short session will be limited to issues that need to be addressed prior to the 2011 session. The number of bills that can be introduced will be restricted to one per House member and two per Senate member. There also will be a number of committee bills, but they require permission of the Senate President or House Speaker.

The focus of the 2010 Legislative Session will be largely dictated by the results of the vote on tax Measures 66 and 67 on January 26, 2010. If one or both of the measures fail, the Legislature will be focused on addressing the budget shortfall created by the loss of the expected tax revenue. If the measures pass, the Legislature will have more time to address other issues.

Elderly and disabled transit funding may be impacted during this session. If the Legislature is looking for funds to replace the revenue lost by Measures 66 and or 67, the \$10 million in general fund money allocated for elderly and disabled transportation may be in jeopardy. On the other hand, there may be an opportunity during the session to establish a more permanent funding source for elderly and disabled transportation than the general fund allocation.

ATTACHMENT: None.

PROPOSED MOTION: None.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: JOINT MEETING WITH LANE COUNTY BOARD OF COMISSIONERS

PREPARED BY: Stefano Viggiano, Assistant General Manager

ACTION REQUESTED: None. Information only.

BACKGROUND: The LTD Board and the Lane County Board of Commissioners are scheduled to hold a joint meeting on Monday, February 8, 2010, at 5:30 p.m., in the LTD Board Room. The draft agenda for the meeting includes:

1. EmX
 - Franklin EmX: Ridership and performance
 - Gateway EmX: Project update
 - West Eugene EmX: Project update
 - West Eugene EmX: Discussion of the decision process for selection of a Locally Preferred Alternative
2. Formation of an Area Commission on Transportation (ACT): Update on the Process
3. LTD Budget/Service
 - Projected service reduction
 - Future service needs
4. Funding for Transit
 - Surface Transportation Program – Urban (STP-U) for transit
 - Legislative funding efforts

The Board is asked to review and provide direction on this proposed agenda.

ATTACHMENT: None.

PROPOSED MOTION: None.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: CHARTER SERVICES UPDATE

PREPARED BY: Andy Vobora

ACTION REQUESTED: None. Information Only.

BACKGROUND: In 2008 the Federal Transit Administration issued revised regulations for the provision of charter services by transit agencies. The fundamental change in the rules created an environment in which private charter operators are given priority for charter services to community events.

During that first year, private providers showed interest in a number of local event services. For a variety of reasons, these providers excused themselves from the process, and LTD provided service to all of the events it had traditionally served. In one case, the Olympic Track and Field Trials, LTD petitioned the FTA Administrator for an exemption. The exemption was granted and LTD was able to provide the service.

In 2009 private providers were notified of the services LTD traditionally provides; however, no private operator expressed interest in providing services for the events. When the University of Oregon (UO) chose to move the Civil War football game to a Thursday night, private contractors were needed to provide the service. Starline Luxury Coaches of Seattle, Washington coordinated the six private contractors who provided the service. The UO contracted with LTD to provide training, media communications, signage, and game-day ground support.

The 2010 notification process has concluded, and two private carriers have expressed interest in involvement in the Civil War football service. The expression of interest by private providers (for every local event service LTD has traditionally provided) may mean a significant change for area residents and visitors, and more so for the event organizers.

While FTA charter rules allow petitioning the FTA Administrator for exemptions, there appears to be no grounds for asking for an exemption for any of the events LTD customarily serves. The three exemption areas include:

- Events of Regional or National Significance – undefined, but must include a description of how private providers are consulted and used to assist in the delivery of service.
- Hardship – evaluates the total trip time in relation to deadhead time needed to get equipment to the event venue. Hardship

exemptions are only available to communities with smaller populations than Eugene-Springfield.

- Unique and Time Sensitive – funerals of local, regional, or national significance.

Last year LTD provided a list of suggested rule modifications to Congressman DeFazio's staff. While Congressman DeFazio and other congressional leaders are interested in revisiting the charter rules, no review is scheduled; and federal priorities are clearly elsewhere at the present time.

A number of consequences may result from a change to private providers:

- If event organizers choose not to provide service, there will be impacts for shuttle riders and neighborhoods. For example, if the Butte to Butte doesn't provide shuttles, more people will be taking cars and finding it difficult to locate parking near the starting line. And for the post race, participants will need to arrange for a ride back to their cars. The Oregon Country Fair doesn't have the option to not provide shuttles because there isn't enough parking available at the Fair site.
- Event organizers will pay more for service. This isn't a consideration for FTA, but it is something event organizers care a great deal about. For example, the UO paid up to \$3,000 per bus for the Civil War game; LTD charges approximately \$1,000 per bus.
- Effectiveness will be an issue. Private providers did a fair job serving the Civil War game, but only about 8,000 people took the bus that day. LTD has had ridership as high as 13,000 for a single game and averages about 10,000 riders to UO football games. If people don't ride, UO is faced with spending more to bring in greater numbers of buses. If the modal split falls, it is possible the UO will not meet its transportation demand management plan it has with the City of Eugene. That could result in the UO having to build additional parking at Autzen.
- Staff are sharing this information with the Board in anticipation of concerns that this change might generate in this community. Those concerns could include event organizers asking LTD to petition for an exception to these rules or community participants concerned about the cost and quality of service of the private providers.

ATTACHMENTS: 2010 Charter Event Respondent List

RESULTS OF RECOMMENDED ACTION: None

PROPOSED MOTION: None

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PRIVATE PROVIDER CHARTER RESPONSES--2010 SERVICE

Event	Event Date	Interested Private Carriers	Address	City/State/Zip	Contact	E-Mail	Phone
Butte to Butte Road Race	Sunday, July 4, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
Butte to Butte Road Race		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
Butte to Butte Road Race		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
Eugene Marathon	Sunday, May 2, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
Eugene Marathon		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
Eugene Marathon		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
Memorial Run	Monday, May 31, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
Memorial Run		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
Memorial Run		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
Oregon Country Fair	Friday, Saturday, Sunday, July 9, 10, 11, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
Oregon Country Fair		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
Ridgeline Ramble Road Race	Saturday, May 29, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
Ridgeline Ramble Road Race		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
Ridgeline Ramble Road Race		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
UO Men's Basketball Games	Not Yet Set	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
UO Men's Basketball Games		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
UO Men's Basketball Games		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600
UO Football Games 2010	September 4, September 18, October 2, and November 6, 2010	Northwest Navigator	10360 N. Vancouver Way	Portland, OR 97217-7530	Roxanne Gillis	info@nwnavigator.com	503-285-3000
UO Football Games 2010		RAZ Trans./Gray Line Portland	11655 SW Pacific Hwy	Portland, OR 97223	Kyle Sheeley	portlandcharters@coachamerica.com	503-684-3322, Ext. 708
UO Football Games 2010		Colonial Coach Lines	1600 James Drive	Mt. Prospect, Illinois	Tina Moreth	info@colonialcoach.com	847-593-7600

AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

ITEM TITLE: DECEMBER FINANCIAL STATEMENTS

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

ACTION REQUESTED: None

BACKGROUND: Financial results for the first six months of FY 2009-10 are summarized in the attached reports.

Passenger fares are almost exactly the same for the first six months of the new year compared to the same period last year, and are down \$31,000 versus budget. The negative variance is the result of ridership losses, which began last winter, continued through October, leveled off in November, and then resumed in December. Passenger boardings for the rolling twelve-month period, which ended December 31, are still down 5.7 percent over the previous period, a larger decline than the 5.1 percent reported for November. Boardings for the month of December 2009 are 2 percent lower than for December 2008.

Group pass receipts are back to expected levels due to the finalization of a contract with the Associated Students of the University of Oregon (ASUO); \$309,000 has been accrued for October, November, and December 2009. There is still disagreement between LTD and ASUO as to the terms of this contract. Those issues will be discussed with ASUO leaders and University of Oregon administrators this spring in an effort to avoid the contract delay experienced in the current academic year.

Payroll tax receipts are down 12 percent versus last year and down 14.4 percent (\$1,476,000) versus current-year budget. These results are consistent with a local unemployment rate that continues to be in excess of 12 percent, and a continuing recession. The next payroll tax evaluation will occur the first week of February when receipts for the quarter that ended December 31, 2009, are expected.

Self-employment receipts coincide with State tax payment deadlines, none of which occurred in December. The majority of receipts are expected in May each year. Receipts can and do occur throughout the fiscal year due to late or early payments, assessments of penalties and interest, and other factors.

State-in-lieu receipts for the quarter ended December 31 were accrued by estimate and could be subject to future adjustment. LTD received an inexplicably large disbursement for the last quarter, which could have been a mistake on the part of the Oregon Department of Administrative Services. Until LTD staff can confirm that the funds belong to LTD or, more likely, that some of them do not, the posted amount is the disbursement from December 2008 increased by 2 percent. It is unlikely that the true amount due for December 2009 is less than this posted amount.

Through December, Lane Transit District had received about \$1.2 million of an anticipated total of \$3.2 million in American Recovery and Reinvestment Act (stimulus) grant funds in support of vehicle preventive maintenance. There are additional funds due for November and December that will be booked after federal reporting and reconciliation have been completed.

Interest income has fallen due to low rates of return and a reduction in cash available for investment. The Local Government Investment Pool was returning 0.6839 percent on December 31, down from 0.7017 percent on November 30, 2009.

Total personnel services expenditures, the largest category of operating expense, show a 1.1 percent increase compared to the previous year. This modest growth is the result of position eliminations implemented in the previous fiscal year and bus operator voluntary furloughs in effect for the summer service schedule. Administrative employees did not receive an annual salary adjustment for FY 2009-10. Employees covered by the Amalgamated Transit Union 757 contract receive wage adjustments every six months, in addition to step increases. As Board members know, the current contract expires June 30, 2010.

Materials and services results vary widely from department to department. Total materials and services are lower for the first six months of this year as compared to last, and overall spending is under budget for the year to date. Concerns about the level to which the General Fund must support the Accessible Services Fund continue.

Fuel prices continued to drift upward in December. The lowest price paid in FY 2009-10 for a gallon of bus fuel was \$1.62 on July 10. The year-to-date high price was \$2.21 on October 22. The average price per gallon of bus fuel is \$2.0432 through December 31, up from the \$2.0024 reported for November. As Board members know, the current budget assumes an average fuel price of \$2.00 per gallon. Lane Transit District still has more than 400,000 gallons of fuel stored in Coos Bay at a price of \$1.68 per gallon delivered. Now that the trigger point has been reached, these reserves will be available.

The General Fund is stable through December, but payroll tax receipts remain a significant concern. Since June 30, the value of total cash and investments for the General Fund has dropped from nearly \$8 million to less than \$6.3 million as reserves are spent in support of current-year operations.

The Transportation Options Fund activities are generally as expected through the first six months of the current fiscal year. The fund is temporarily using General Fund reserves to offset a \$40,000 deficit that is the result of not yet having access to grant funds that will support current-year operations. Those grant funds are expected to be available before the end of the current fiscal year, and the Transportation Options Fund will finish the fiscal year in the black.

The Accessible Services Fund is still difficult to predict because billing from the service provider lags by at least one and up to two months, so expenditures are accrued as estimates that are adjusted in the future. The Medicaid Fund, new to the budget in the current fiscal year, also shows expected results through the first six months of the current fiscal year. The \$64,000 deficit for December 31 is temporary and due to timing issues.

Work associated with the remodel of the fleet maintenance facility accounted for the majority of Capital Projects Fund expenditures in December. Year to date through December, the Gateway EmX Extension project represents the largest outlay. Work continues on both projects. Completion of the maintenance remodel project is expected in Spring 2010, while the Gateway EmX project will continue into FY 2010-11. All six of the vehicles that will provide Gateway EmX Extension service beginning January 9, 2011, were received by Lane Transit District by the end of September. Work also continued on the West Eugene EmX Extension.

Board members received the FY 2008-09 Comprehensive Annual Financial Report (CAFR) and Executive Summary in a mailing in December. The CAFR and audit will be covered in separate agenda items at the January 20 meeting. Budget development for FY 2010-11 is underway. The first Budget Committee meeting is tentatively scheduled for Wednesday, May 19, at 6:30 p.m., following a brief regular Board meeting (as was done in May 2009).

ATTACHMENTS:

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

1. Operating Financial Report - comparison to prior year

2. Comparative Balance Sheets
 - a. General Fund
 - b. Transportation Options Fund
 - c. Accessible Services Fund
 - d. Medicaid Fund
 - e. Capital Projects Fund

3. Income Statements
 - a. General Fund
 - b. Transportation Options Fund
 - c. Accessible Services Fund
 - d. Medicaid Fund
 - e. Capital Projects Fund

PROPOSED MOTION: None

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Lane Transit District
Operating Financial Report
For the Fiscal Period Ending 12/31/2009 With Comparisons to Prior Year to Date
Current Year: 2009-2010
Unaudited

	Prior YTD 08-09	Adopted Budget	YTD Actual	% Budget	% Over Last Year
Revenues & Other Sources					
Passenger Fares	2,205,785	4,507,800	2,222,869	49.3%	0.8%
Group Pass	879,692	2,030,500	1,045,483	51.5%	18.8%
Advertising	219,296	264,000	132,000	50.0%	-39.8%
Special Service	643,264	735,700	541,950	73.7%	-15.7%
Miscellaneous	150,294	179,500	62,008	34.5%	-58.7%
Total Operating	4,098,331	7,717,500	4,004,310	51.9%	-2.3%
Payroll Tax (cash basis)	11,619,860	23,327,600	10,229,081	43.8%	-12.0%
Self-employment Tax (cash basis)	218,556	1,400,000	201,458	14.4%	-7.8%
State-in-Lieu (accrued basis)	648,989	1,400,000	680,685	48.6%	4.9%
Operating Grants - American Recovery & Reinvestment Act (ARRA)		3,201,500	1,234,777	38.6%	N/A
Operating Grants	52,101	1,025,000	21,920	2.1%	-57.9%
Total Taxes & Grants	12,539,506	30,354,100	12,367,921	40.7%	-1.4%
Interest Income	210,120	150,000	35,210	23.5%	-83.2%
Sale of Assets	-	-	-	N/A	N/A
Transfer from Commuter Solutions Fund	-	-	-	N/A	N/A
Total Revenues & Other Sources	16,847,957	38,221,600	16,407,441	42.9%	-2.6%
Expenditures & Other Uses					
Personnel Services					
Administration	4,180,838	9,158,000	4,130,149	45.1%	-1.2%
Administration - Contra Payroll	(800,648)	(1,634,500)	(788,068)	48.2%	-1.6%
Administration - Net	3,380,190	7,523,500	3,342,081	44.4%	-1.1%
Contract	8,831,116	18,911,800	9,005,435	47.6%	2.0%
Total Personnel Services	12,211,306	26,435,300	12,347,516	46.7%	1.1%
Materials & Services					
General Administration	87,066	177,800	55,049	31.0%	-36.8%
Government Relations	90,424	125,800	83,542	66.4%	-7.6%
Finance	36,333	134,800	55,949	41.5%	54.0%
Information Technologies	304,398	570,900	338,156	59.2%	11.1%
Human Resources	81,691	334,400	79,192	23.7%	-3.1%
Service Planning	6,389	10,000	4,694	46.9%	-26.5%
Marketing	234,453	309,900	178,528	57.6%	-23.9%
Graphics	7,592	14,600	3,670	25.1%	-51.7%
Accessible Services	1,387	37,000	-	0.0%	-100.0%
Planning & Development	10,981	19,700	9,648	49.0%	-12.1%
<i>point2point Solutions</i>	394	-	-	N/A	-100.0%
Facilities Services	425,868	854,500	357,020	41.8%	-16.2%
Transit Operations	306,380	631,200	262,647	41.6%	-14.3%
Customer Service Center	8,837	27,700	12,654	45.7%	43.2%
Maintenance	2,092,227	3,437,300	1,676,129	48.8%	-19.9%
Insurance / Liability Costs	475,587	1,267,600	670,688	52.9%	41.0%
Transportation Options Transfer	5,000	5,000	5,000	100.0%	0.0%
Accessible Services Transfer	1,069,969	1,900,000	1,438,823	75.7%	34.5%
Capital Transfer	876,000	-	-	N/A	-100.0%
Total Materials & Services	6,120,976	9,858,200	5,231,389	53.1%	-14.5%
Total Expenditures & Other Uses	18,332,282	36,293,500	17,578,905	48.4%	-4.1%
Excess (Deficiency) of Revenues Over Expenditures	(1,484,325)	1,928,100	(1,171,464)		-21.1%
Net to Fund	(1,484,325)	1,928,100	(1,171,464)		-21.1%



Lane Transit District
General Fund
Comparative Balance Sheets
December 31, 2009 and June 30, 2009
Unaudited

	Current Balance	Balance 06/30/09
ASSETS		
Cash & Investments	\$ 6,293,495	\$ 7,990,388
Receivables	1,277,198	1,537,183
Accrued Payroll Taxes Receivable	4,826,000	4,826,000
Due from Other Governments	324,080	440,207
Inventory of Parts and Supplies	1,827,430	1,831,649
Prepaid Expenses	502,635	706,623
VRC Lease	2,083	2,083
Property, Plant and Equipment Net of Accumulated Depreciation	92,451,905	92,451,905
Total Assets	<u>\$ 107,504,827</u>	<u>\$ 109,786,038</u>
LIABILITIES		
Accounts Payable	\$ -	\$ 388,963
Accrued Payroll Related Payable	287,289	1,005,824
Unearned Revenue	54,897	61,892
Liability Claims/Other Payable	594,483	589,737
CAL/Sick Accrual	3,287,339	3,287,339
Net OPEB Obligation	635,353	635,353
Total Liabilities	<u>4,859,362</u>	<u>5,969,109</u>
FUND BALANCE		
Investment in Fixed Assets	32,670,227	32,670,227
Reserved for Long-Term Lease	2,083	2,083
Contributed Capital	71,081,655	71,081,655
Fund Balance Restricted to Assets	<u>103,753,965</u>	<u>103,753,965</u>
Fund Balance	62,964	4,985,175
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,171,464)</u>	<u>(4,922,211)</u>
Ending Fund Balance	<u>(1,108,500)</u>	<u>62,964</u>
Total Reserves & Fund Balances	<u>102,645,465</u>	<u>103,816,929</u>
Total Liabilities & Fund Balance	<u>\$ 107,504,827</u>	<u>\$ 109,786,038</u>



**Lane Transit District
Transportation Options Fund
Comparative Balance Sheets
December 31, 2009 and June 30, 2009
Unaudited**

	Current Balance	Balance 06/30/09
ASSETS		
Cash & Equivalents	\$ (47,581)	\$ 211,768
Receivables	-	55,100
Prepaid Expenses	<u>7,416</u>	<u>-</u>
Total Assets	<u><u>\$ (40,165)</u></u>	<u><u>\$ 266,868</u></u>
LIABILITIES		
Accounts Payable	<u>\$ -</u>	<u>\$ 11,991</u>
Total Liabilities	<u>-</u>	<u>11,991</u>
RESERVES & BALANCES		
Fund Balance	254,877	370,138
Excess (Deficiency) of Revenues Over Expenditures	<u>(295,043)</u>	<u>(115,261)</u>
Ending Fund Balance	<u>(40,166)</u>	<u>254,877</u>
Total Liabilities & Fund Balances	<u><u>\$ (40,166)</u></u>	<u><u>\$ 266,868</u></u>



Lane Transit District
Accessible Services Fund
Comparative Balance Sheets
December 31, 2009 and June 30, 2009 (Restated, As If)
Unaudited

	Current Balance	Balance 6/30/2009 Restated, As If
ASSETS		
Cash & Investments	\$ 174,172	235,555
Receivables	1,727	75
Grants Receivable	-	122,582
Total Assets	\$ 175,899	358,212
LIABILITIES		
Accounts Payable	\$ 29,463	140,348
Oakridge Program Reserves	56,745	62,412
Unearned Revenue	158,120	-
Total Liabilities	244,329	202,760
RESERVES & BALANCES		
Fund Balance	155,452	104,712
Excess (Deficiency) of Revenues Over Expenditures	(223,882)	50,740
Ending Fund Balance	(68,430)	155,452
Total Liabilities & Fund Balances	\$ 175,899	358,212



**Lane Transit District
Medicaid Fund
Comparative Balance Sheets
December 31, 2009 and June 30, 2009 (Restated, As If)
Unaudited**

	Current Balance	Balance 6/30/2009 Restated, As If
ASSETS		
Cash & Investments	\$ 153,661	378,351
Receivables	263,403	255,368
Grants Receivable	-	-
Total Assets	\$ 417,064	633,719
LIABILITIES		
Accounts Payable	\$ -	138,304
Medicaid Medical Reserves	333,333	347,948
Total Liabilities	333,333	486,252
RESERVES & BALANCES		
Fund Balance	147,467	147,467
Excess (Deficiency) of Revenues Over Expenditures	(63,736)	-
Ending Fund Balance	83,731	147,467
Total Liabilities & Fund Balances	\$ 417,064	633,719



**Lane Transit District
Capital Projects Fund
Comparative Balance Sheets
December 31, 2009 and June 30, 2009
Unaudited**

	Current Balance	Balance 06/30/09
ASSETS		
Cash & Investments	\$ (2,292,917)	\$ 3,355,445
Accounts Receivable	123,355	94,980
Grants Receivable	<u>4,082,284</u>	<u>4,289,718</u>
Total Assets	<u>\$ 1,912,723</u>	<u>\$ 7,740,143</u>
LIABILITIES		
Accounts Payable	\$ 470,875	\$ 2,488,506
Retainage Payable	496,709	131,082
Unearned Revenue	<u>62,150</u>	<u>62,150</u>
Total Liabilities	<u>1,029,734</u>	<u>2,681,738</u>
RESERVES & BALANCES		
Fund Balance	5,058,406	1,935,115
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,175,417)</u>	<u>3,123,291</u>
Ending Fund Balance	<u>882,989</u>	<u>5,058,406</u>
Total Liabilities & Fund Balances	<u>\$ 1,912,723</u>	<u>\$ 7,740,144</u>



Lane Transit District
General Fund
Schedule of Resources and Requirements
For the Period 12/1/2009- 12/31/2009
Unaudited

	Annual Budget	Current Month			Year to Date		
		Budget	Actual	Variance	Budget	Actual	Variance
Resources						7921300	
Beginning Working Capital	5,280,000	-	-	-	5,280,000	7,921,300	2,641,300
Passenger Fares	4,507,800	375,640	397,492	21,852	2,253,840	2,222,869	(30,971)
Group Pass	2,030,500	140,000	170,604	30,604	874,000	1,045,483	171,483
Advertising	264,000	22,000	22,000	-	132,000	132,000	-
Special Service	735,700	63,900	233,641	169,741	432,900	541,950	109,050
Miscellaneous	179,500	14,970	8,496	(6,474)	89,820	62,008	(27,812)
Payroll Tax (cash basis)	23,327,600	125,000	204,857	79,857	11,704,600	10,229,081	(1,475,519)
Self-employment Tax (cash basis)	1,400,000	25,000	15,178	(9,822)	234,000	201,458	(32,542)
State-in-Lieu (accrual basis)	1,400,000	360,000	324,080	(35,920)	680,000	680,685	685
Operating Grants	4,226,500	352,210	-	(352,210)	2,113,260	1,256,697	(856,563)
Interest Income	150,000	12,500	4,023	(8,477)	75,000	35,210	(39,790)
Proceeds From Sale of Assets	-	-	-	-	-	-	-
Transfer from Commuter Solutions Fund	-	-	-	-	-	-	-
Total General Fund Resources	43,501,600	1,491,220	1,380,371	(110,849)	23,869,420	24,328,741	459,321
Requirements							
General Administration	778,400	64,920	47,788	17,132	389,520	324,920	64,600
Government Relations	125,800	7,990	675	7,315	78,940	83,542	(4,602)
Finance	1,075,300	88,730	74,689	14,041	556,880	485,827	71,053
Information Technologies	1,156,100	96,270	65,979	30,291	578,220	619,845	(41,625)
Human Resources	990,600	82,600	51,656	30,944	495,600	370,388	125,212
Service Planning	571,300	47,140	43,257	3,883	288,840	252,837	36,003
Marketing	638,800	37,775	35,648	2,127	339,510	327,373	12,137
Graphics	140,800	10,650	10,573	77	70,400	63,050	7,350
Accessible Services	129,600	9,800	449	9,351	62,000	28,108	33,892
Planning & Development	268,500	22,410	20,244	2,166	134,460	98,956	35,504
<i>point2point Solutions</i>	-	10	(606)	616	60	-	60
Facilities Services	1,433,500	119,550	80,253	39,297	717,300	592,422	124,878
Transit Operations	17,858,200	1,504,160	1,391,816	112,344	9,049,660	8,488,608	561,052
Customer Service Center	577,000	47,820	38,413	9,407	290,120	246,987	43,133
Maintenance	7,377,000	614,790	509,122	105,668	3,688,740	3,481,531	207,209
Insurance / Liability Costs	1,267,600	105,650	76,739	28,911	633,900	670,688	(36,788)
Total Operating Requirements	34,388,500	2,860,265	2,446,695	413,570	17,374,150	16,135,082	1,239,068
Transportation Options Transfer	5,000	-	-	-	5,000	5,000	-
Accessible Services Transfer	1,900,000	158,330	186,738	(28,408)	949,980	1,438,823	(488,843)
Capital Projects Transfer	-	-	-	-	-	-	-
Reserve-Operating Contingency	1,000,000	-	-	-	-	-	-
Reserve-Self-insurance and Risk	1,000,000	-	-	-	-	-	-
Reserve-Working Capital	5,208,100	-	-	-	-	-	-
Total Non-Operating Requirements	9,113,100	158,330	186,738	(28,408)	954,980	1,443,823	(488,843)
Total General Fund Requirements	43,501,600	3,018,595	2,633,433	385,162	18,329,130	17,578,905	750,225
Resources Less Requirements	-				5,540,290	6,749,836	



Lane Transit District
Transportation Options Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Period 12/1/2009 - 12/31/2009
Unaudited

	Adopted Budget	YTD Actual	Current Month Actual	Percent of Year Variance	50.0% YTD % of Budget
Revenues & Other Sources					
Federal Grants-Surface Transportation Program	436,500	-	-	(436,500)	0.0%
TDM Match - Other Local Jurisdictions	15,000	15,000	-	-	100.0%
Business Energy Tax Credit (BETC)	60,000	-	-	(60,000)	0.0%
Miscellaneous Income	-	-	-	-	
Transfer from General Fund	5,000	5,000	-	-	100.0%
Total Revenues	<u>516,500</u>	<u>20,000</u>	<u>-</u>	<u>(496,500)</u>	<u>3.9%</u>
Expenditures & Other Uses					
Funded from Rideshare Program					
Project Management	184,200	276,792	40,015	(92,592)	150.3%
Special Projects	71,200	-	-	71,200	0.0%
Research	18,000	-	-	18,000	0.0%
Carpool/Vanpool Program	217,200	22,265	2,813	194,935	10.3%
Smart Ways to School Program	71,200	11,943	-	59,257	16.8%
Emergency Ride Home Program	-	1,012	837	(1,012)	N/A
Gateway Transportation Program	-	-	-	-	N/A
Park & Ride Program	-	2,213	-	(2,213)	N/A
Group Pass Program	121,500	817	-	120,683	0.7%
Total Rideshare Program	<u>683,300</u>	<u>315,043</u>	<u>43,664</u>	<u>368,257</u>	<u>46.1%</u>
Transfer to General Fund	-	-	-	-	N/A
Contingency	138,400	-	-	138,400	0.0%
Total Commuter Solutions Expenditures	<u>821,700</u>	<u>315,043</u>	<u>43,664</u>	<u>506,657</u>	<u>38.3%</u>
Unreserved Fund Balance					
Change to Fund Balance	(305,200)	(295,043)			
Beginning Balance	305,200	254,877			
Ending Balance	<u>-</u>	<u>(40,166)</u>			



Lane Transit District
Accessible Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Period 12/1/2009 - 12/31/2009
Unaudited

				Percent of Year	50.0%
	Adopted Budget	YTD Actual	Current Month Actual	Variance	YTD % of Budget
Revenues & Other Sources					
State Special Transp Funds - In District	381,800	136,620	22,770	(245,180)	35.8%
State Special Transp Funds - Out of District	-	34,560	5,760	34,560	NA
State Special Transp Funds - Administration	-	-	-	-	NA
American Recovery & Reinvestment Act (ARRA)	17,600	-	-	(17,600)	0.0%
Federal Grants - 5310	573,310	-	-	(573,310)	0.0%
Federal Grants - 5311	259,000	-	-	(259,000)	0.0%
Federal Grants - 5316 JARC	125,000	11,563	-	(113,437)	0.0%
Federal Grants - 5317 New Freedom	-	15,571	-	15,571	NA
Other Federal Grants	748,300	-	-	(748,300)	0.0%
Other State Grants	57,100	-	-	(57,100)	0.0%
Business Energy Tax Credit Revenue	250,000	-	-	(250,000)	0.0%
Farebox	295,000	143,203	22,299	(151,797)	0.0%
Local Grants	70,090	35,048	2,707	(35,042)	0.0%
Miscellaneous	-	250	-	250	NA
Transfer from General Fund	<u>1,900,000</u>	<u>1,438,823</u>	<u>186,738</u>	<u>(461,177)</u>	0.0%
Total Revenues	<u>4,677,200</u>	<u>1,815,638</u>	<u>240,274</u>	<u>(2,861,562)</u>	0.0%
Expenditures & Other Uses					
Eugene-Springfield Based Services					
ADA RideSource	3,837,200	1,666,611	214,944	2,170,589	0.0%
Mental Health & Homeless	68,600	23,940	13	44,660	0.0%
Travel Training & Host	111,400	35,535	20	-	0.0%
Job Access/Reverse Commute (JARC)	-	<u>17,077</u>	-	(17,077)	NA
Total Eugene-Springfield Based Services	<u>4,017,200</u>	<u>1,743,163</u>	<u>214,977</u>	<u>2,198,172</u>	0.0%
Rural Lane County Services					
South Lane	178,200	85,088	946	93,112	0.0%
Florence	164,100	65,368	10,116	98,732	0.0%
Oakridge	<u>194,000</u>	<u>63,487</u>	<u>985</u>	<u>130,513</u>	0.0%
Total Rural Lane County Services	<u>536,300</u>	<u>213,943</u>	<u>12,047</u>	<u>322,357</u>	0.0%
Lane County Coordination	123,700	82,414	9,553	41,286	0.0%
Transfer to Capital Fund	144,000	-	-	144,000	0.0%
Contingency	<u>384,100</u>	-	-	<u>384,100</u>	0.0%
Total Accessible Services Expenditures	<u>5,205,300</u>	<u>2,039,520</u>	<u>236,577</u>	<u>3,089,915</u>	0.0%
Unreserved Fund Balance					
Change to Fund Balance	(528,100)	(223,882)			
Beginning Balance	<u>528,100</u>	<u>155,452</u>			
Ending Balance	<u>\$ -</u>	<u>\$ (68,430)</u>			



Lane Transit District
Medicaid Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Period 12/1/2009 - 12/31/2009
Unaudited

Percent of Year 50.0%

	Adopted Budget	YTD Actual	Current Month Actual	Variance	YTD % of Budget
Revenues & Other Sources					
Medicaid	4,740,000	1,702,420	239,260	(3,037,580)	35.9%
Medicaid Non-Medical	400,300	113,457	-	(286,843)	28.3%
State Special Transportation Fudn (STF) Operating	124,000	-	-	(124,000)	0.0%
State Discretionary Funds	25,400	-	-	(25,400)	0.0%
Total Revenues	<u>5,289,700</u>	<u>1,815,877</u>	<u>239,260</u>	<u>(3,473,823)</u>	34.3%
Expenditures & Other Uses					
Medicaid Medical Service	3,981,200	1,502,442	239,659	2,478,758	37.7%
Medicaid Non-Medical Service	568,500	156,614	21,876	411,886	27.5%
RideSource Call Center Administration	560,000	108,454	-	451,546	19.4%
Lane Transit District Administration	180,000	112,103	20,180	67,897	62.3%
Total Medicaid Fund Expenditures	<u>5,289,700</u>	<u>1,879,613</u>	<u>281,715</u>	<u>3,410,087</u>	35.5%
Unreserved Fund Balance					
Change to Fund Balance	-	(63,736)			
Beginning Balance	<u>-</u>	<u>-</u>			
Ending Balance	<u>-</u>	<u>(63,736)</u>			



Lane Transit District
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Period 12/1/2009 - 12/31/2009
Unaudited

	Adopted Budget	YTD Actual	Current Month Actual	Variance	Percent of Year 50.0%	YTD % of Budget
Revenues & Other Sources						
Federal Grant Income				-		N/A
Formula Funds (Section 5307)	3,421,000	218,712	2,309	(3,202,288)		6.4%
American Recovery & Reinvestment Act (ARRA)	3,396,800	3,142,849	437,374	(253,951)		92.5%
Discretionary Funds	26,081,300	7,977,943	80,743	(18,103,357)		30.6%
Other Funds	1,014,500	60,719	3,540	(953,781)		6.0%
Total Federal Grants	<u>33,913,600</u>	<u>11,400,223</u>	<u>523,966</u>	<u>(22,513,377)</u>		33.6%
Connect Oregon	3,117,800	793,826	-	(2,323,974)		25.5%
Other State Grant Income	-	-	-	-		N/A
Other Local Funds	82,000	203,235	-	121,235		247.8%
Miscellaneous Income	-	100	-	100		N/A
Transfer from Accessible Services Fund	144,000	-	-	(144,000)		0.0%
Total Resources	<u>37,257,400</u>	<u>12,397,384</u>	<u>523,966</u>	<u>(24,860,016)</u>		33.3%
Expenditures						
Grant Paid Capital						
EmX						
Gateway EmX Extension	26,200,000	9,238,725	104,837	16,961,275		35.3%
EmX Vehicles	5,200,000	3,768,525	93,525	1,431,475		72.5%
West Eugene EmX Extension	500,000	628,796	18,198	(128,796)		125.8%
Total EmX	<u>31,900,000</u>	<u>13,636,047</u>	<u>216,560</u>	<u>18,263,953</u>		42.7%
Revenue Rolling Stock	-	210,800	210,540	(210,800)		N/A
PBI/Facilities	6,311,300	1,732,031	583,342	4,579,269		27.4%
Software & Hardware	510,000	152,908	3,050	357,092		30.0%
Intelligent Transportation Systems	-	34,222	3,684	(34,222)		N/A
Transit Security Projects	210,000	-	-	210,000		0.0%
Bus Related Equipment	200,000	-	-	200,000		0.0%
Miscellaneous Equipment	40,000	-	-	40,000		0.0%
Communications	201,500	20,783	-	180,717		10.3%
Shop Equipment	25,000	11,830	-	13,170		47.3%
Support Vehicles	50,000	61,459	-	(11,459)		122.9%
Accessible Services Vehicles	1,130,600	712,723	16,786	417,877		63.0%
Budgeted for Capital Contingency	708,500	-	-	708,500		0.0%
Total Expenditures	<u>41,286,900</u>	<u>16,572,802</u>	<u>1,033,962</u>	<u>24,714,098</u>		40.1%
Unreserved Fund Balance						
Change to Fund Balance	(4,029,500)	(4,175,417)				
Beginning Fund Balance	4,029,500	5,058,406				
Ending Fund Balance	<u>-</u>	<u>882,989</u>				



MONTHLY DEPARTMENT REPORTS

January 20, 2010

PLANNING AND DEVELOPMENT

Tom Schwetz, Director of Planning and Development

PROJECT DEVELOPMENT

West Eugene EmX Extension (WEEE):

During the past month, staff work on the WEEE project included the following activities:

- Met with corridor stakeholders (property owners, businesses, and residents).
- Completed office space improvements and advertising for the downtown Eugene Station 1099 building (now called "Next Stop Center"). The building will serve as the WEEE public involvement "storefront" and site of future corridor meetings, project information open houses, and as the drop-in space for project information.
- Held the first WEEE Corridor Committee meeting in Next Stop Center on January 6.
- Continued work with consultants, the City of Eugene, and Lane Council of Governments on transit demand modeling that will serve as the basis for most technical environmental analyses.
- Finalized the next project newsletter and postcards that will notify stakeholders of upcoming meetings and of opportunities to be involved in the project.
- Provided an update for the Metropolitan Planning Commission on December 10, 2009.
- Negotiated refinements of the WEEE project Scope of Work amendments.
- Reviewed draft conceptual plans for the Draft Environmental Impact Statement.
- Continued finalizing the design reviews and updates on WEEE revisions with Eugene City Councilors.

Other:

- Tom Schwetz attended the Transportation Research Board conference on January 11-14.
- Staff participated in further development of a work plan for the improvement of the Regional Transportation Options Plan.
- Departmental training included "Managing the Facility Design Process."
- The Scope of Work was refined for the Transportation Growth Management project, which is in the development phase of LTD's Long-Range Transit Plan.
- Staff participated in Transportation Policy Committee discussions regarding Surface Transportation Program-Urban allocations per jurisdiction.

- Staff met with representatives from the University of Oregon and the Lane Council of Governments to discuss the development of a “Livability Performance Measures” proposal.

Point2point Solutions

Connie B. Williams, Program Manager

On-the-Go Solutions:

There were seven new commuters added to the Rideshare database in December.

Validation requests were completed on the Rideshare database. Fifty one percent of the registered commuters responded to the validation requests, with 80 percent of those requesting to remain in the database. There were 287 records deactivated from the database, leaving a total of 589 commuters on file, which includes those that are active for Rideshare matching and Emergency Ride Home registrants.

Staff participated in planning sessions with the Regional Transportation Options Plan Project Management Team on December 17 and December 29.

Work Solutions:

Four organizations canceled their 2010 Group Pass Program contract:

Organization	Employees	Reason
Iris Media	23	Economy
PeaceHealth Oregon Region	5,100	Budget Concerns
VersaLogic, Inc.	78	Economy and Minimal Usage
Whitewater Designs, Inc.	10	Economy

Harry & David offered its 600 employees a seasonal group pass benefit.

SummitBank of Eugene (31 employees) joined the Commuter Club Voucher program.

PeaceHealth Laboratories (440 employees) and 4J Transitions and Connections Program (10 employees) joined the Group Pass Program.

PeaceHealth Oregon Region canceled its Group Pass contract; however, Lane Transit District one-month bus passes are being offered to those who choose to ride the bus. PeaceHealth also is looking at a three-month trial period to see how many employees will request a one-month bus pass; then PeaceHealth will reassess its transit benefit program.

School Solutions:

A count of Student Transit Pass Program boardings taken during a week in December yielded lower than expected results, likely due to below freezing weather conditions that week. Another count will be conducted in January. These counts determine the reimbursement that LTD will receive from the Oregon Department of Energy for providing the program.

Lisa VanWinkle attended meetings for the Communities and Schools Together research project to review results from an assessment of the walking and bicycling conditions in the Bethel School District.

The Eugene Safe Routes to School Committee is preparing for the City of Eugene Walking and Bicycling Summit that will be held on January 23.

Education and Outreach:

Staff participated in the Eugene Climate and Energy Action Plan Forum on Land Use and Transportation on December 1.

Connie Bloom Williams presented at the Springfield Planning Commission on December 1.

CAPITAL PROJECTS

Charlie Simmons, Facilities Services Manager

Fleet Maintenance Building Expansion:

Construction is proceeding as planned in all areas, with the exception of the fleet administration area. The administration area construction will begin in the middle of February after the training room construction is at a point where it can provide a temporary Administration office area. Fortis, the construction manager/general contractor, has done an excellent job in coordinating construction with fleet operations. The budget for the project is as planned with few construction changes. It is scheduled to be 100 percent complete by the end of April.

**SERVICE PLANNING, ACCESSIBILITY,
AND MARKETING**

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

Media:

Stories included updates on the Crest Drive street redesign, Gateway EmX construction, holiday service adjustments, and Civil War football service.

Social media use continues to grow in popularity. LTD's Facebook fan page now has more than 700 participants. The number of Twitter followers is growing but at a slower pace. The use of LTD's electronic newsletters, Web page, and social media will continue to play a large role in communications efforts. The District's newest communications endeavor involves piloting a new product called AdShout. This product provides an advertising platform that creates revenue for the ad agency, the transit district, and the product manufacturer. LTD's interest is in the text messaging system called RouteShout that provides schedule information for each bus stop. LTD customers would be able to text in the bus stop number where they are waiting and receive information on the next scheduled bus arriving at the stop. Eventually the schedule information would be replaced by real-time bus information. LTD, Lamar Advertising, and the manufacturer, DeepLocal, hope to have a pilot project operating in late winter or early spring.

Bid Work:

Winter bid updates are being distributed to customers. Information is included regarding the changes that become effective on January 31, 2010, and all of the information is available on the LTD website.

The Annual Route Review is the primary focus for Planning and Marketing staff at this time. Following meetings with the Board Service Committee and the employee Service Advisory Committee, staff will launch the public information outreach process. The public will have an opportunity to review preliminary proposals at the Good Earth Home and Garden Show on January 22-24, 2010. Many more opportunities to provide input have been scheduled between now and when the Board will make its decision at its regular meeting on April 21, 2010.

Event Services:

Basketball shuttle service is in full swing, and planning for other 2010 events is underway. The extent to which LTD is involved in any of these events will depend upon the responsiveness of the private carriers who have expressed interest in providing service.

ACCESSIBLE SERVICES

Terry Parker, Accessible Services Manager

LTD and Alternative Work Concepts welcomed visitors from Reno Transit who spent two days reviewing LTD's Travel Training and Transit Host program. It is rewarding to see the interest in, and replication of, this service by other transit properties.

A demonstration of a new wheelchair securement system called a Q'Pod was provided to LTD staff in early December. Progress continues on the collaboration with Senior and Disabled Services to streamline eligibility and provide an integrated approach to conducting eligibility assessments for transportation services through the RideSource Call Center.

TRANSIT OPERATIONS

Mark Johnson, Director of Transit Operations

Transit Services Manager:

Transit Services Manager Sue Quick has resigned her position at LTD and has accepted a position with Salem-Kaiser Transit. Although we are all very excited for this new career step for her, she will be missed. She has served the District well for nearly twenty years. Her last day at LTD was December 30. We all wish her the best.

Egan Warming Centers:

LTD has been partnering with community groups to help with the Egan Warming Centers for the homeless. These centers are set up so that the homeless have a place to sleep when the temperature drops below 28 degrees. There are three locations for adults and one for juveniles. LTD has offered free rides to the warming centers and has provided day passes for the morning. This has worked well so far, and the centers have served hundreds of homeless people in the several days that they have been open.

MAINTENANCE

George Trauger, Director of Maintenance

Allison Warranty Repairs and Product Upgrade Continuation:

Bus 6101 soon followed bus 6103 to Pacific Detroit's Ridgefield facility for its transmission upgrade. As soon as bus 6101 is returned, the next highest mileage bus, 6104, will be transported to Ridgefield. This process will continue for all 6100- and 7100-series buses. The 9100s are already equipped with the upgrade.

Turbo replacement on Bus 6106 has been completed.

9100-Series Buses:

Each 9100-series bus (the newest EmX buses) will have curbside wheelchair bars installed, which will prevent wheelchairs from shifting into the aisles. During the next two weeks, *Bus Talk* and *Rider's Digest* holders, along with the Opticon units (GPS), will be installed.

New 1410 Articulated Bus Build:

Representatives from LTD and New Flyer are in the process of scheduling the pre-production meeting date for this new bus build.

FINANCE AND INFORMATION TECHNOLOGY

Diane Hellekson, Director of Finance and Information Technology

FINANCE

Todd Lipkin, Financial Services Manager

Grants Management:

- A request for further clarification on several issues was received from the National Transit Database (NTD) for Lane Transit District's 2009 report submittal. This is a normal part of the report validation process. Responses were forwarded to NTD in early January.
- The grant application for the \$3 million Transit Investments for Greenhouse Gas and Energy Reduction funding was submitted to the Federal Transit Administration. These funds were awarded in October for the incremental cost of hybrid technology for approximately fifteen 40-foot hybrid-electric, low-floor buses. It is projected that these buses will to be ordered within six months and delivered within two years.

Payroll Processing:

- Ninety-four (94) payroll checks and 893 payroll direct deposits totaling \$1,391,986 were made in December 2009 (three pay dates).

Accounts Payable:

- Three hundred thirty-four (334) vendor paper and electronic checks totaling \$5,830,665 were processed during the month of December 2009. This included a total of \$1 million to Wildish Building and Construction companies for Gateway EmX Extension-related construction.

Accounts Receivable:

- Twelve (12) cash fare deposits totaling \$138,227 were processed in December 2009.

Budget Development:

- Staff developed Long-Range Financial Plan scenarios for the Board strategic work session that was held on December 7, 2009.
- Finance staff worked with Service Planning staff to develop costing methodologies for potential service changes.

ACCOUNTING/INTERNAL AUDIT

Carol James, Chief Accountant/Internal Auditor

Accounting:

- The November Board report was completed.
- Staff completed the Comprehensive Annual Financial Report (CAFR) and other required reporting relating to the CAFR. The CAFR was mailed to the Board on December 18, 2009.

Internal Audit:

- Staff continued attempts to identify a small group of businesses that could be used as representatives of trends of overall payroll tax receipts over time.
- Staff continued to review local media information about businesses regarding compliance with payroll taxes. Information regarding three businesses was sent to the State Department of Revenue, but all proved to be registered under different names.
- Staff continued to check for payroll tax payment compliance.

PURCHASING

Jeanette Bailor, Purchasing Manager

Work continues with Maintenance staff concerning the next Request for Proposal (RFP) for buses. This RFP will include both 40-foot and articulated buses. Maintenance staff are working on the specifications.

Documentation administration continues for the Gateway EmX Extension project, including checking payroll documents and various other requirements of the Federal Transit Administration.

Purchasing staff will be attending a statewide purchasing training offered in Portland in mid-January.

HUMAN RESOURCES AND RISK MANAGEMENT

Mary Adams, Director of Human Resources and Risk Management

Employee Health:

The Health for Life Committee will hold a day-long retreat on February 17 to outline the 2010 wellness work plan. The Committee will conduct a full review of the 2009 health plan utilization and decide which health-related issues to focus on for the new year.

Selection and Hiring:

Ann Harris, administrative secretary for the Point2point Solutions program, was selected to replace Doris Dioszeghy-Darcy as the administrative services coordinator for Fleet Services. Doris will be retiring in February. This staff relocation created an opening for Ann's current position; the application deadline is January 15.

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AGENDA ITEM SUMMARY

DATE OF MEETING: January 20, 2010

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: December 2009 Performance Reports
November 2009 RideSource Activity and Productivity Report

PROPOSED MOTION: None

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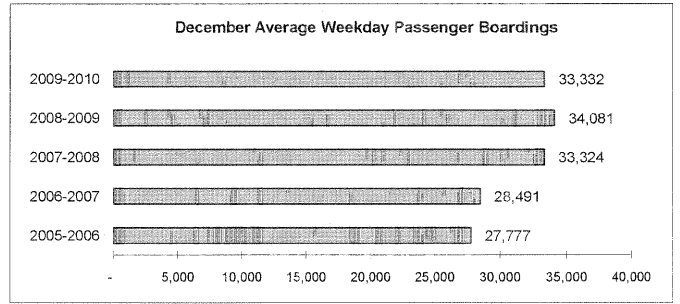
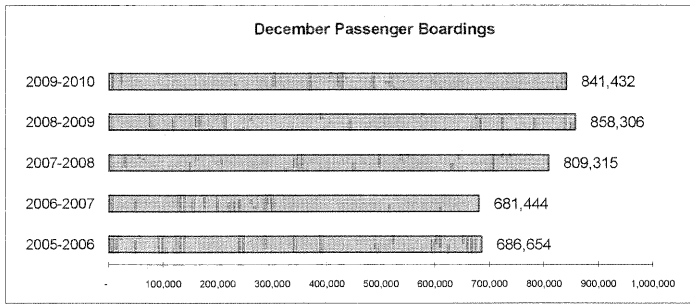
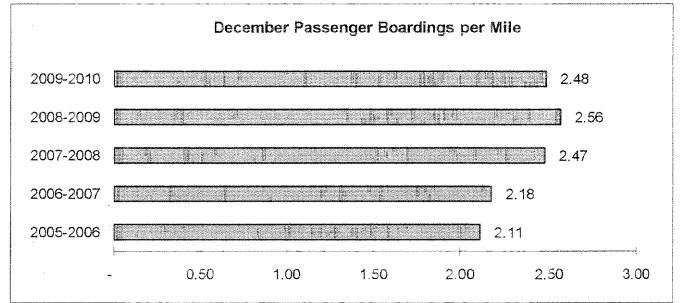
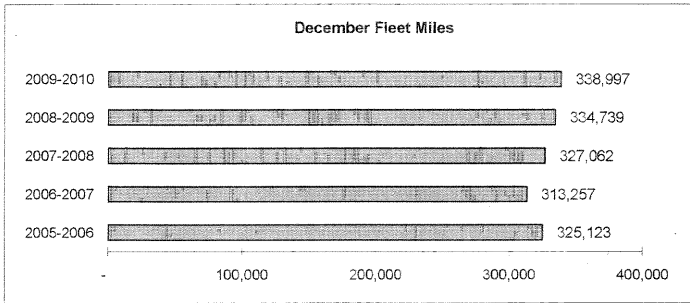
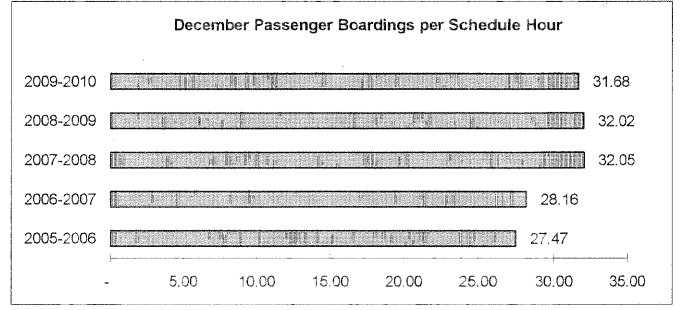
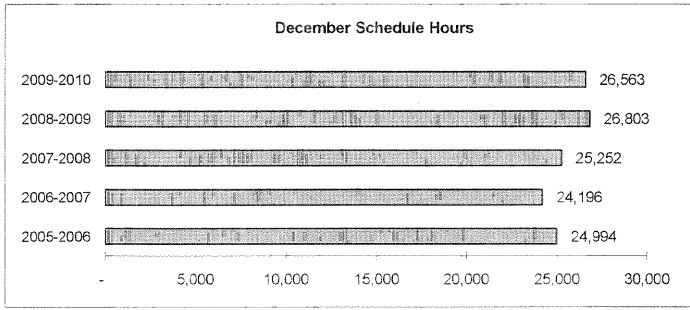
LANE TRANSIT DISTRICT
December 2009 Performance Report
14-January-2010

Performance Measure	Current Month	Prior Year's Month	% Change	Current Y-T-D	Previous Y-T-D	% Change	Current 12 Month	Prior 12 Month	% Change
Fixed Route Service									
Passenger Boardings	841,432	858,306	-2.0%	5,248,038	5,709,035	-8.1%	11,257,192	11,932,951	-5.7%
Mobility Assisted Riders	9,628	8,467	+13.7%	63,050	60,577	+4.1%	123,442	119,066	+3.7%
<u>Average Passenger Boardings:</u>									
Weekday	33,332	34,081	-2.2%	35,410	38,364	-7.7%	38,313	40,189	-4.7%
Saturday	17,003	17,061	-0.3%	17,084	18,737	-8.8%	18,051	19,561	-7.7%
Sunday	10,031	10,068	-0.4%	9,414	11,180	-15.8%	10,289	11,220	-8.3%
Monthly Scheduled Hours	26,563	26,803	-0.9%	156,135	157,360	-0.8%	314,101	317,338	-1.0%
Boardings Per Schedule Hour	31.7	32.0	-1.1%	33.61	36.28	-7.4%	35.84	37.60	-4.7%
Weekly Schedule Hours	6,110	6,164	-0.9%	6,039	6,112	-1.2%	6,109	6,160	-0.8%
Weekdays	22	22		129	128		256	256	
Saturdays	4	4		25	26		51	52	
Sundays	4	4		28	28		56	56	
Special Services *									
Passenger Boardings	2,372	4,113	-42.3%	97,487	105,453	-7.6%	108,576	119,873	-9.4%
Scheduled Hours	133	199	-33.0%	3,854	4,057	-5.0%	4,357	4,622	-5.7%
Boardings Per Schedule Hour	17.8	20.7	-13.9%	25.3	26.0	-2.7%	24.9	25.9	-3.9%
Passenger Revenues & Sales									
Total Passenger Revenues	\$568,096	\$532,641	+6.7%	\$3,268,352	\$3,085,109	+5.9%	\$6,730,426	\$6,415,123	+4.9%
Average Passenger Fare	\$0.675	\$0.621	+8.8%	\$0.62	\$0.54	+15.2%	\$0.60	\$0.54	+11.2%
Farebox Revenue									
Adult Pass	\$2,046	\$2,062	-0.8%	\$12,174	\$12,490	-2.5%	\$23,716	\$25,538	-7.1%
Youth Pass	136	167	-18.6%	1,134	894	+26.8%	1,925	1,882	+2.3%
Reduced Fare Pass	1,326	1,062	+24.9%	6,579	5,774	+13.9%	12,821	12,091	+6.0%
Adult 3 Month Pass	80	108	-25.9%	367	474	-22.8%	735	877	-16.2%
Youth 3 Month Pass	5	8	-37.5%	44	25	+76.0%	66	51	+29.4%
Reduced Fare 3 Month Pass	94	160	-41.3%	662	773	-14.4%	1,451	1,569	-7.5%
Regular Tokens	1,726	10,924	-84.2%	19,942	85,136	-76.6%	74,384	200,644	-62.9%
Reduced Fare Tokens	5	10	-50.0%	61	73	-16.4%	142	193	-26.4%
Fleet Services									
Fleet Miles	338,997	334,739	+1.3%	2,041,794	2,070,401	-1.4%	4,069,231	4,106,481	-0.9%
Average Passenger Boardings/Mile	2.48	2.56	-3.2%	2.57	2.76	-6.8%	2.77	2.91	-4.8%
Fuel Cost	\$196,255	\$142,353	+37.9%	\$1,132,233	\$1,675,669	-32.4%	\$1,997,116	\$3,405,144	-41.4%
Fuel Cost Per Mile	\$0.579	\$0.425	+36.1%	\$0.555	\$0.809	-31.5%	\$0.491	\$0.829	-40.8%
Repair Costs	\$150,772	\$185,757	-18.8%	\$1,196,614	\$1,070,184	+11.8%	\$2,326,227	\$2,185,676	+6.4%
Total Repair Cost Per Mile	\$0.445	\$0.555	-19.9%	\$0.586	\$0.517	+13.4%	\$0.572	\$0.532	+7.4%
Preventive Maintenance Costs	\$32,971	\$31,807	+3.7%	\$187,477	\$209,541	-10.5%	\$375,984	\$389,306	-3.4%
Total PM Cost Per Mile	\$0.097	\$0.095	+2.4%	\$0.092	\$0.101	-9.3%	\$0.092	\$0.095	-2.5%
Mechanical Road Calls	112	114	-1.8%	585	683	-14.3%	1,202	1,222	-1.6%
Miles/Mech. Road Call	3,027	2,936	+3.1%	3,490	3,031	+15.1%	3,385	3,360	+0.7%

Special Mobility Service

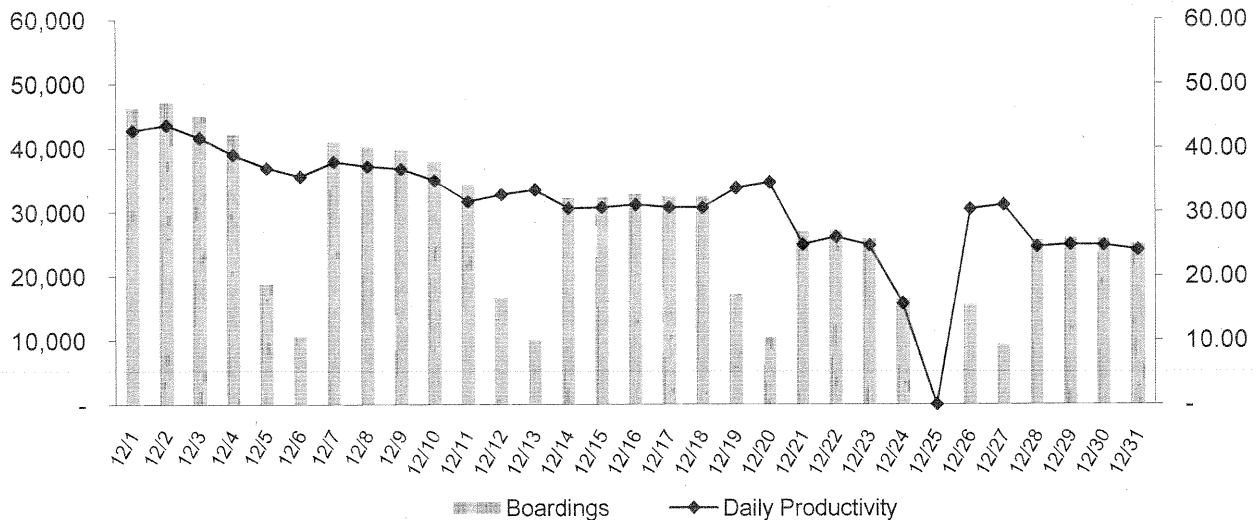
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* Special Services includes Football, Basketball, Oregon Country Fair, and Lane County Fair

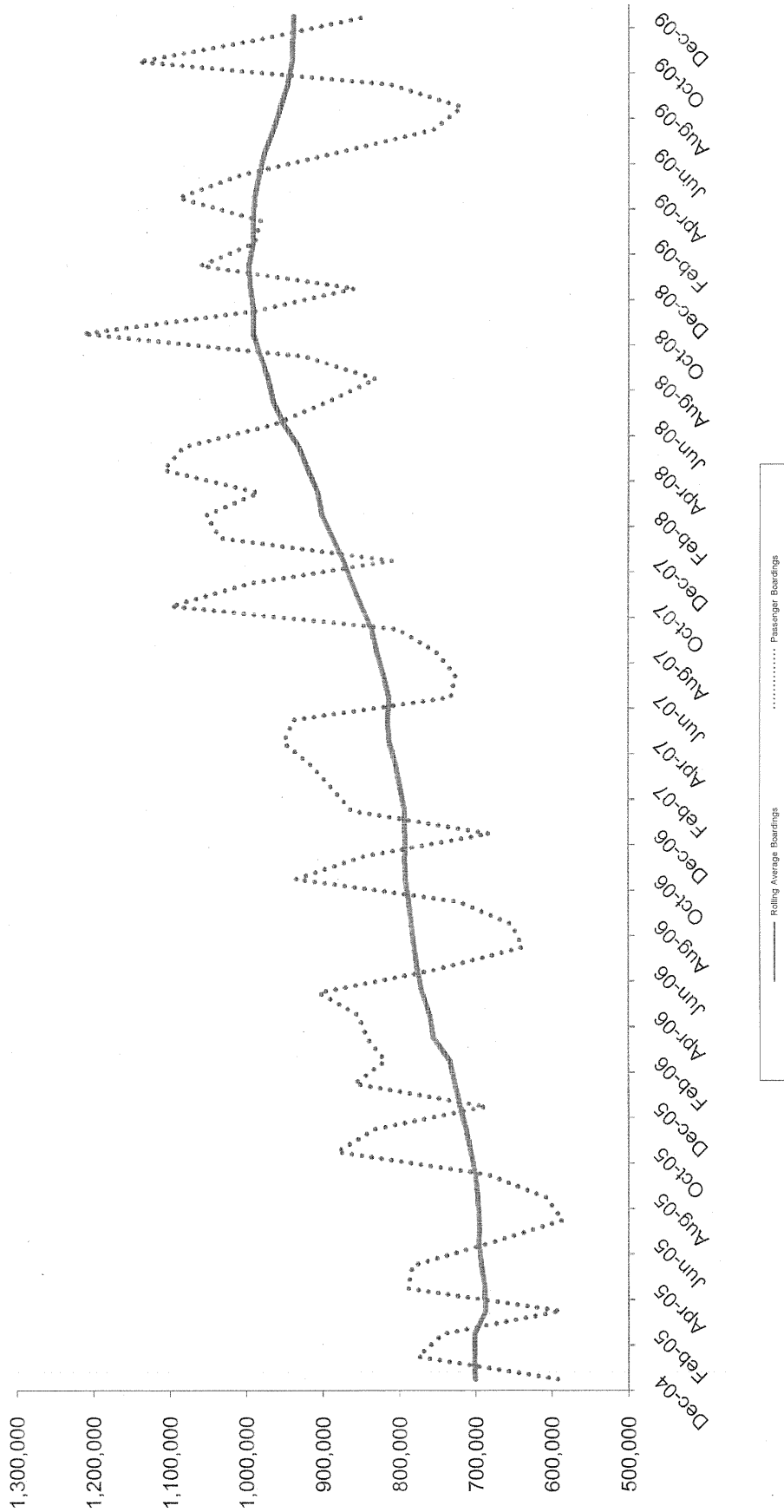


Daily Ridership Recap December 2009

Date	Day	Service	Boardings	Mobility		Daily Productivity
				Assisted Boardings	Scheduled Hours	
12/1/2009	Tuesday	Weekday	46,181	498	1,080.80	42.73
12/2/2009	Wednesday	Weekday	47,107	461	1,080.80	43.59
12/3/2009	Thursday	Weekday	44,959	474	1,080.80	41.60
12/4/2009	Friday	Weekday	42,088	479	1,080.80	38.94
12/5/2009	Saturday	Saturday	18,726	279	508.20	36.85
12/6/2009	Sunday	Sunday	10,574	114	297.80	35.51
12/7/2009	Monday	Weekday	40,896	372	1,080.80	37.84
12/8/2009	Tuesday	Weekday	40,099	380	1,080.80	37.10
12/9/2009	Wednesday	Weekday	39,681	397	1,080.80	36.71
12/10/2009	Thursday	Weekday	37,753	318	1,080.80	34.93
12/11/2009	Friday	Weekday	34,217	347	1,080.80	31.66
12/12/2009	Saturday	Saturday	16,647	201	508.20	32.76
12/13/2009	Sunday	Sunday	9,962	122	297.80	33.45
12/14/2009	Monday	Weekday	32,163	385	1,052.30	30.56
12/15/2009	Tuesday	Weekday	32,312	364	1,052.30	30.71
12/16/2009	Wednesday	Weekday	32,773	386	1,052.30	31.14
12/17/2009	Thursday	Weekday	32,324	362	1,052.30	30.72
12/18/2009	Friday	Weekday	32,313	399	1,052.30	30.71
12/19/2009	Saturday	Saturday	17,153	258	508.20	33.75
12/20/2009	Sunday	Sunday	10,315	136	297.80	34.64
12/21/2009	Monday	Weekday	26,959	398	1,080.80	24.94
12/22/2009	Tuesday	Weekday	27,093	390	1,038.50	26.09
12/23/2009	Wednesday	Weekday	25,769	360	1,038.50	24.81
12/24/2009	Thursday	Weekday	16,330	205	1,038.50	15.72
12/25/2009	Closed	Closed	-	-	-	-
12/26/2009	Saturday	Saturday	15,486	202	508.20	30.47
12/27/2009	Sunday	Sunday	9,271	108	297.80	31.13
12/28/2009	Monday	Weekday	25,531	305	1,038.50	24.58
12/29/2009	Tuesday	Weekday	25,886	288	1,038.50	24.93
12/30/2009	Wednesday	Weekday	25,815	313	1,038.50	24.86
12/31/2009	Thursday	Weekday	25,049	327	1,038.50	24.12
Totals			841,432	9,628	26,563	31.68



LANE TRANSIT DISTRICT
 Five Year History of Passenger Boardings



Special Mobility Services: RideSource Activity and Productivity Information

	Current		Prior		Current YTD	Previous YTD	%		Current 12 Month	Prior 12 Month	%
	Month	Month	Year's Month	Month			Change	Change			
November-09	13,005	12,642	12,642	12,642	69,862	69,242	2.9%	163,027	161,074	0.9%	1.2%
RideSource Ridership											
RideSource(All Modes)	10,609	10,195	10,195	10,195	57,275	55,031	4.1%	134,192	127,755	4.1%	5.0%
Shopper	436	436	436	436	2,251	2,524	0.0%	5,473	6,070	-10.8%	-9.8%
Escort Volunteers-Metro	733	622	622	622	3,901	3,845	17.8%	8,232	9,270	1.5%	-11.2%
Escort Volunteers-Rural	1,227	1,389	1,389	1,389	6,435	7,842	-11.7%	15,130	17,979	-17.9%	-15.8%
RideSource Cost per Ride											
RideSource(All Modes)	\$ 29.28	\$ 27.16	\$ 27.16	\$ 27.16	\$ 28.13	\$ 27.56	7.8%	\$ 27.04	\$ 27.02	2.1%	0.0%
RideSource Shopper	\$ 12.78	\$ 12.46	\$ 12.46	\$ 12.46	\$ 12.78	\$ 12.46	2.6%	\$ 12.78	\$ 12.46	2.6%	2.6%
RideSource Escort	\$ 3.12	\$ 2.73	\$ 2.73	\$ 2.73	\$ 3.15	\$ 3.01	14.3%	\$ 3.18	\$ 2.87	4.6%	10.6%
Ride Reservations											
Cancelled Number	1,201	985	985	985	6,050	4,537	21.9%	14,555	12,572	33.3%	15.8%
Cancelled % of Total	10.48%	9.06%	9.06%	9.06%	9.87%	7.80%	9.87%	10.09%	9.11%	10.09%	10.6%
No-Show Number	111	130	130	130	585	576	-14.6%	1,454	1,538	1.6%	-5.5%
No-Show % of Total	0.97%	1.20%	1.20%	1.20%	0.95%	0.99%	0.95%	1.01%	1.11%	1.01%	1.11%
Ride Refusals Number	0	0	0	0	1	1	0%	12	4	0.0%	200.0%
Ride Refusals % of Total	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%
Service Hours											
Agency Staff	5,793	5,363	5,363	5,363	29,974	29,172	8.0%	71,018	71,018	2.7%	0.0%
Agency SMS Volunteer	201	232	232	232	1,193	1,482	9.0%	2,949	2,949	3.9%	0.0%
Avg. Trips/Service Hour	1.91	1.98	1.98	1.98	1.99	1.97	-3.5%	1.97	1.88	1.0%	4.8%
RideSource System Miles											
Avg. Miles/Trip	7.08	7.06	7.06	7.06	6.93	7.03	0.4%	6.98	7.10	-1.4%	-1.7%
Miles/Vehicle Hour	13.51	13.99	13.99	13.99	13.76	13.87	-3.5%	13.73	13.37	-0.7%	2.6%

Special Mobility Services: RideSource Activity and Productivity Information

November-09	Current		Prior		Change	%	Change	%	Prior	12 Month	Change	%	
	Month	84.4%	Month	87.2%									12 Month
On-Time Performance %													
Sample	9,483	8,850	83.8%	86.8%	116,426	84.8%	110,822		96,911				
On-Time	8,002	7,714	42,841	40,371	98,700		96,911						

- 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: January 20, 2010

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. **Joint Meeting with Lane County Board of Commissioners:** A joint meeting of the LTD Board and the Lane County Board of Commissioners is scheduled for February 8, 2010. Work session items will include a review of the planning process for selection of the West Eugene EmX Extension Locally Preferred Alternative, the role of LTD in creation of a local Area Commission on Transportation (ACT), and a discussion of projected budget and service reductions.
- B. **FY 2010-11 Service Recommendation and Pricing Plan:** A Public hearing on proposed changes to routes and schedules for Summer 2010 implementation is scheduled for February 11. Additional hearings on other possible future service and pricing changes for Fall 2010 implementation are scheduled for March 8 and April 12. The hearings will be held at the Eugene Public Library. At the February 17 Regular Board meeting, the Board will be asked to approve the recommended summer service package that will be discussed at the February 11 public hearing. The Board will be asked to approve the final recommended service package and pricing plan at the April 21 regular Board meeting.
- C. **Union Contract Negotiations Update:** The existing labor contract will expire on June 30, 2010. An executive session will be held during the February 17 Board meeting to brief Board members on the process and to discuss strategy.
- D. **Federal Grant Applications:** The Federal Transit Administration has issued a notice of the availability of significant grant funds. Staff are determining appropriate projects for which to submit applications and will ask the Board to take action on those grant applications during the February 17 Board meeting.
- E. **General Manager's Goals and Objectives:** The Board HR Committee has reviewed the General Manager's Goals and Objectives for 2010 and will present its recommendations to the full Board at the February 17 Board meeting.

- F. **Revised Capital Improvements Program Adoption:** A public hearing will be held during the February 17 Board meeting and approval of the FY 2010-17 Capital Improvements Program will be requested from the Board at the March 17 Board meeting.
- G. **Long-Term Visioning:** During the past month, the Competencies Task Force and Vision Development Task Force have met to put together drafts of the 20-year vision for the Board's review during either the February or March regular Board meeting.
- H. **Revised Long-Range Financial Plan Adoption:** Approval of the FY 2009-10 Long-Range Financial Plan will be requested at the March 17 Board meeting.
- I. **LTD Road Map Update:** LTD's Strategic Plan, the *LTD Road Map*, is updated periodically. The Board has had and will continue to participate in visioning discussions that will lead to an update of the plan. A draft of the updated plan will be presented to the Board at the March 17 Regular Board Meeting.
- J. **Legislative Bill Updates:** The Board will be provided regular updates during the 2010 special legislative session.
- K. **Quarterly Board Luncheon:** The Board has expressed an interest in having periodic luncheons as a venue for staff to present information on various topics in a more casual atmosphere. Staff are in the process of scheduling the next luncheon for late Winter or early Spring 2010.
- L. **Review Pension Funding Structure:** The Board has asked that the alternative pension trust models be explored. This will be done as part of the budget process and will be brought back to the Board during budget discussions at the May 19 regular Board meeting.
- M. **West Eugene EmX Extension (WEEE) Updates:** Periodic updates on the progress of the planning and alternatives analysis of the WEEE project will be provided to the Board throughout the project.
- N. **Gateway EmX Extension Construction Updates:** Periodic updates on the progress of the construction of the Gateway EmX Extension will be provided to the Board throughout the remainder of the project.