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Public notice was given to *The Register-Guard* for publication on January 8, 2007.

**LANE TRANSIT DISTRICT  
BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING**

**January 10, 2007  
4:00 p.m. – 5:30 p.m.**

**LTD Conference Room A  
3500 East 17<sup>th</sup> Avenue, Eugene (in Glenwood)**

**AGENDA**

	<u>Page</u>
I. CALL TO ORDER (Dean Kortge)	
II. ROLL CALL (Dean Kortge)	
Davis _____ Dubick _____ Kortge _____	
III. APPROVE MINUTES OF MARCH 7, 2006, MEETING	2
IV. FARE PRICING PLAN (Andy Vobora)	6
V. UNITED FRONT REQUEST (Stefano Viggiano)	22
VI. LABOR BUDGET ISSUES (Mary Adams)	
VII. CAPITAL IMPROVEMENTS PROGRAM (Carol James)	
VIII. OTHER BUSINESS	
IX. NEXT MEETING	
X. ADJOURN	

**Alternative formats of printed material (Braille, cassette tapes, or large print) are available upon request. A sign language interpreter will be made available with 48 hours' notice. The facility used for this meeting is wheelchair accessible. For more information, please call 682-6100 (voice) or 1-800-735-2900 (TTY, for persons with hearing impairments).**

**LANE TRANSIT DISTRICT**

**Pricing Proposal Summary  
2007-2008**

<u>Cash Fare</u>			<u>RideSource</u>		
	Current	Proposed		Current	Proposed
Adult	\$1.25	n/c	<b>Regular</b>	\$2.50	n/c
Youth	\$0.60	n/c	<b>Escort</b>	\$2.50	n/c
Child	\$0.60	n/c	<b>Shopper*</b>	\$2.00	n/c
Half-fare Program	\$0.60	n/c	<i>10 Tickets</i>	\$20.00	n/c
Senior	\$0.60	n/c	*Round-trip fare		

Passes

<b>Adult</b>		
1-Month:	\$35.00	\$38.00
3-Month:	\$95.00	\$103.00

**Youth, Senior, Half-fare Program**

1-Month:	\$17.50	\$19.00
3-Month:	\$47.50	\$51.50

Sales Outlet Wholesale Discount

Current	Proposed
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Day Pass

<b>Adult</b>		
	\$2.50	n/c
<b>Youth, Senior, Half-fare Program</b>		
	\$1.20	n/c

Passes

0-500+

Discount

5%

Discount

n/c

**Tokens**

Full Fare:	\$1.10 (5 for \$5.50)	n/c
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**Breeze Fare**                      \$0.50                      n/c

**EmX Green Line Fare**            Free                      n/c

<b>Special Programs - not covered by ordinance</b>	<b>Group Pass (2008 change)</b>	+8.1%
<b>Summer Youth Pass - July/August</b>	Current quarterly rates:	\$11.04 taxpayer
		\$12.84 non-taxpayer
	Proposed quarterly rates:	\$11.94 taxpayer
		\$13.89 non-taxpayer

	1982-1984 =100		
	Portland CPI	change from last year	GP Increases
July - Dec 2007			
Jan - June 2007			6.0%
July - Dec 2006			
Jan - June 2006			2.9%
July - Dec 2005		+2.7%	
Jan - June 2005	194.5	+2.5%	5.9%
July - Dec 2004	192.5	+3.2%	
Jan - June 2004	189.8	+2.0%	0.0%
July - Dec 2003	186.5	+1.4%	
Jan - June 2003	186	+1.4%	6.0%
July - Dec 2002	184	+0.2%	
Jan - June 2002	183.5	+1.3%	14.9% *
July - Dec 2001	183.6	+2.3%	
Jan - June 2001	181.2	+2.7%	3.2%
July - Dec 2000	179.5	+2.9%	
Jan - June 2000	176.4	+3.39%	
* Policy change to a minimum amount for all groups			

Q:\BOARD OF DIRECTORS\Board & Committee Meetings\Committee Meetings\Board Subcommittees\Contract Committee\Finance Committee 1-10-07\Annual Pricing Plan 07 adjustments

**LANE TRANSIT DISTRICT**

**Pricing Proposal Summary  
2006-2007**

**Cash Fare**

	<b>Current:</b>	<b>Proposed:</b>
<b>Adult</b>	\$1.25	n/c
<b>Youth</b>	\$0.60	n/c
<b>Child</b>	\$0.60	n/c
<b>Reduced</b>	\$0.60	n/c
<b>Senior</b>	\$0.60	n/c

**RideSource**

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

**Passes**

<b>Adult</b>		
1-Month:	\$35.00	n/c
3-Month:	\$95.00	n/c

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

**Sales Outlet Wholesale Discount**

	<b>Current:</b>	<b>Proposed:</b>
<b>Passes</b>		
0-500+	5.0%	n/c

**Day Pass**

<b>Adult</b>	\$2.50	n/c
<b>Youth, Senior, Reduced</b>	\$1.20	n/c

<b>Tokens</b>		
Full Fare	\$1.00 (5 for \$5.00)	\$1.10 (5 for \$5.50)

<b>Shuttle Fare</b>	\$0.50	n/c
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**EmX Green Line - free**

<b>Special Programs - not covered by ordinance</b>	<b>Group Pass (2007 change)</b>	+6.0%
<b>Summer Youth Pass - June/July/Aug</b>	Current quarterly rates:	\$10.41 taxpayer \$12.12 non-taxpayer
tbd	Proposed quarterly rates:	\$11.04 taxpayer \$12.84 non-taxpayer

**LANE TRANSIT DISTRICT**

**Pricing Summary  
2005-2006**

**TYPE OF FARE:**

**Cash Fare**

	<b>Current:</b>	<b>Proposed:</b>
<b>Adult</b>	\$1.25	n/c
<b>Youth</b>	\$0.60	n/c
<b>Child</b>	\$0.60	n/c
<b>Reduced</b>	\$0.60	n/c
<b>Senior</b>	\$0.60	n/c

**Passes**

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

**Day Pass**

<b>Adult</b>	\$2.50	n/c
<b>Youth, Senior, Reduced</b>	\$1.25	n/c

**Tokens**

Full Fare	\$1.00	n/c
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<b>Shuttle Fare</b>	\$0.50	n/c
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**RideSource** (Staff Proposal)

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

**RideSource** (STAC Proposal)

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

\*Round-trip fare

**Sales Outlet Wholesale Discount**

	<b>Current:</b>	<b>Proposed:</b>
<b>Passes</b>		
0-500+	5.0%	n/c
<b>Tokens</b>		
0-500+	5.0%	n/c

**Special Programs - not covered by ordinance**

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

**Group Pass**

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

## Fare Media Relationships

Current	Media Type	Adult Price	Cost per Trip*	Monthly Cost*	Percent Discount
	Cash	\$1.25	\$1.25	\$50.00	0%
	Tokens	\$1.10	\$1.10	\$44.00	12%
	Monthly Pass	\$35.00	\$0.88	\$35.00	30%
	3-Month Pass	\$95.00	\$0.79	\$28.33	43%

Proposed	Media Type	Adult Price	Cost per Trip*	Monthly Cost*	Percent Discount
	Cash	\$1.25	\$1.25	\$50.00	0%
	Tokens	\$1.10	\$1.10	\$44.00	12%
	Monthly Pass	\$38.00	\$0.95	\$38.00	24%
	3-Month Pass	\$103.00	\$0.86	\$34.33	31%

## Sorted by Cash Prices

	Adult Cash Fare	Token or Multi-Ride Card/Tickets	Daily Pass	Adult Monthly Pass	Adult Multi-Month Pass
Tri-Met	\$2.00*	\$2.00	\$4.25	\$74.00	\$814 (annual)
Santa Cruz, California	\$2.00	n/a	\$4.50	\$62.00	n/a
Reno, Nevada	\$1.70	\$1.53	\$4.00	\$63.00	n/a
Livermore, California	\$1.50	\$0.87	n/a	\$45.00	n/a
Colorado Springs, Colorado	\$1.25	n/a	n/a	\$35.00	n/a
Vancouver, Washington	\$1.25	\$1.25	\$3.00	\$44.00	\$484 (annual)
Fort Collins, Colorado	\$1.25	\$0.90	n/a	\$25.00	n/a
<b>Lane Transit District</b>	<b>\$1.25</b>	<b>\$1.10</b>	<b>\$2.50</b>	<b>\$35.00</b>	<b>\$95 (3 month)</b>
<b>Median</b>	<b>\$1.25</b>				
<b>Average</b>	<b>\$1.22</b>	<b>\$1.00</b>	<b>\$2.82</b>	<b>\$37.21</b>	
Ann Arbor, Michigan	\$1.00	\$1.00	n/a	\$37.50	n/a
Salem, Oregon	\$1.00	\$0.91	\$2.00	\$25.00	\$300.00
Bakersfield, California	\$0.90	\$0.90	\$2.25	\$30.00	n/a
Olympia, Washington	\$0.75	\$0.75	\$1.50	\$25.00	n/a
Bellingham, Washington	\$0.75	\$0.75	n/a	\$20.00	\$60 qtr/\$200 yr.

Data collected through transit district Web site information. Updated 12/06

\* Zone system Averages do not include Tri-Met

**Sorted by Pass Prices**

	<b>Adult Cash Fare</b>	<b>Token or Multi-Ride Card/Tickets</b>	<b>Daily Pass</b>	<b>Adult Monthly Pass</b>	<b>Adult Multi-Month Pass</b>
Tri-Met	\$2.00*	\$2.00	\$4.25	\$74.00	\$814 (annual)
Reno, Nevada	\$1.70	\$1.53	\$4.00	\$63.00	n/a
Santa Cruz, California	\$2.00	n/a	\$4.50	\$62.00	n/a
Livermore, California	\$1.50	\$0.87	n/a	\$45.00	n/a
Vancouver, Washington	\$1.25	\$1.25	\$3.00	\$44.00	\$484 (annual)
Ann Arbor, Michigan	\$1.00	\$1.00	n/a	\$37.50	n/a
<b>Average</b>	<b>\$1.22</b>	<b>\$1.00</b>	<b>\$2.82</b>	<b>\$37.21</b>	
Colorado Springs, Colorado	\$1.25	n/a	n/a	\$35.00	n/a
<b>Lane Transit District</b>	<b>\$1.25</b>	<b>\$1.10</b>	<b>\$2.50</b>	<b>\$35.00</b>	<b>\$95 (3 month)</b>
<b>Median</b>				<b>\$35.00</b>	
Bakersfield, California	\$0.90	\$0.90	\$2.25	\$30.00	n/a
Fort Collins, Colorado	\$1.25	\$0.90	n/a	\$25.00	n/a
Salem, Oregon	\$1.00	\$0.91	\$2.00	\$25.00	\$300.00
Olympia, Washington	\$0.75	\$0.75	\$1.50	\$25.00	n/a
Bellingham, Washington	\$0.75	\$0.75	n/a	\$20.00	\$60 qtr/\$200 yr.

Data collected through transit district Web site information. Updated 12/06

\* Zone system Averages do not include Tri-Met



**Sorted with Proposed Pass Price**

	<b>Adult Cash Fare</b>	<b>Token or Multi-Ride Card/Tickets</b>	<b>Daily Pass</b>	<b>Adult Monthly Pass</b>	<b>Adult Multi-Month Pass</b>
Tri-Met	\$2.00*	\$2.00	\$4.25	\$74.00	\$814 (annual)
Reno, Nevada	\$1.70	\$1.53	\$4.00	\$63.00	n/a
Santa Cruz, California	\$2.00	n/a	\$4.50	\$62.00	n/a
Livermore, California	\$1.50	\$0.87	n/a	\$45.00	n/a
Vancouver, Washington	\$1.25	\$1.25	\$3.00	\$44.00	\$484 (annual)
<b>Lane Transit District</b>	<b>\$1.25</b>	<b>\$1.10</b>	<b>\$2.50</b>	<b>\$38.00</b>	<b>\$103 (3 month)</b>
Ann Arbor, Michigan	\$1.00	\$1.00	n/a	\$37.50	n/a
<b>Average</b>	<b>\$1.22</b>	<b>\$1.00</b>	<b>\$2.82</b>	<b>\$37.21</b>	
<b>Median</b>				<b>\$36.25</b>	
Colorado Springs, Colorado	\$1.25	n/a	n/a	\$35.00	n/a
Bakersfield, California	\$0.90	\$0.90	\$2.25	\$30.00	n/a
Fort Collins, Colorado	\$1.25	\$0.90	n/a	\$25.00	n/a
Salem, Oregon	\$1.00	\$0.91	\$2.00	\$25.00	\$300.00
Olympia, Washington	\$0.75	\$0.75	\$1.50	\$25.00	n/a
Bellingham, Washington	\$0.75	\$0.75	n/a	\$20.00	\$60 qtr/\$200 yr.

Data collected through transit district Web site information. Updated 12/06

\* Zone system Averages do not include Tri-Met

Projected Revenues Based on 2002/2003 Fare Changes

	Annual Sales	Current Price	Revenue	Projected Sales	Proposed Price	Projected Revenue	Difference
Adult Monthly	24371	\$35	\$852,985	24371	\$38	\$926,098	\$73,113
Youth Monthly	2248	\$17.50	\$39,340	2248	\$19.00	\$42,712	\$3,372
Reduced Fare Monthly	11440	\$17.50	\$200,200	11440	\$19.00	\$217,360	\$17,160
Senior/Child Monthly	1247	\$17.50	\$21,823	1247	\$19.00	\$23,693	\$1,871
Adult 3 Month	774	\$95	\$73,530	774	\$103	\$79,722	\$6,192
Youth 3 Month	2044	\$47.50	\$97,090	2248	\$51.50	\$115,793	\$18,703
Reduced Fare 3 Month	1414	\$47.50	\$67,165	1414	\$51.50	\$72,821	\$5,656
Senior/Child 3 Month	154	\$47.50	\$7,315	154	\$51.50	\$7,931	\$616
Tokens	233093	\$1.00	\$233,093	233093	\$1.25	\$291,366	\$58,273
UO Group Pass			\$583,000			\$687,000	\$104,000
Other Group Pass			\$902,000			\$929,060	\$27,060
Cash and Day Pass			\$1,381,000		1.25/\$3.00	\$1,519,100	\$138,100
							\$95,516

### LTD Pricing History

Year	Consumer Price Index		Adult Cash Price		Adult Token Price		Adult Pass Price	
	Yearly Increase	Cumulative Increase	Actual Price	Percent Change	Actual Price	Percent Change	Actual Price	Percent Change
1981-82	0.00	0.00	\$0.50	0.00	\$0.40	0.00	\$18.00	0.00
1982-83	3.20%	3.20%	\$0.55	10.00%	\$0.45	12.50%	\$20.00	11.11%
1983-84	1.10%	4.30%	\$0.55	0.00%	\$0.50	11.11%	\$20.00	0.00%
1984-85	3.70%	8.00%	\$0.55	0.00%	\$0.50	0.00%	\$20.00	0.00%
1985-86	3.80%	11.80%	\$0.60	9.09%	\$0.50	0.00%	\$20.00	0.00%
1986-87	1.40%	13.20%	\$0.60	0.00%	\$0.50	0.00%	\$20.00	0.00%
1987-88	2.50%	15.70%	\$0.65	8.33%	\$0.50	0.00%	\$20.00	0.00%
1988-89	3.40%	19.10%	\$0.65	0.00%	\$0.55	10.00%	\$20.00	0.00%
1989-90	5.00%	24.10%	\$0.65	0.00%	\$0.55	0.00%	\$21.00	5.00%
1990-91	5.80%	29.90%	\$0.65	0.00%	\$0.55	0.00%	\$21.00	0.00%
1991-92	5.10%	35.00%	\$0.75	15.38%	\$0.55	0.00%	\$21.00	0.00%
1992-93	4.40%	39.40%	\$0.75	0.00%	\$0.65	18.18%	\$22.00	4.76%
1993-94	3.50%	42.90%	\$0.75	0.00%	\$0.65	0.00%	\$23.00	4.55%
1994-95	2.90%	45.80%	\$0.80	6.67%	\$0.65	0.00%	\$23.00	0.00%
1995-96	2.90%	48.70%	\$0.80	0.00%	\$0.65	0.00%	\$24.00	4.35%
1996-97	3.50%	52.20%	\$0.80	0.00%	\$0.65	0.00%	\$26.00	8.33%
1997-98	3.40%	55.60%	\$1.00	25.00%	\$0.65	0.00%	\$26.00	0.00%
1998-99	1.90%	57.50%	\$1.00	0.00%	\$0.75	15.38%	\$26.00	0.00%
1999-2000	3.30%	60.80%	\$1.00	0.00%	\$0.75	0.00%	\$28.00	7.69%
2000-01	3.10%	63.90%	\$1.00	0.00%	\$0.85	13.33%	\$28.00	0.00%
2001-02	2.50%	66.40%	\$1.25	25.00%	\$0.85	0.00%	\$28.00	0.00%
2002-03	0.80%	67.20%	\$1.25	0.00%	\$1.00	17.65%	\$35.00	25.00%
2003-04	1.40%	68.60%	\$1.25	0.00%	\$1.00	0.00%	\$35.00	0.00%
2004-05	2.60%	71.20%	\$1.25	0.00%	\$1.00	0.00%	\$35.00	0.00%
2005-06	2.60%	73.80%	\$1.25	0.00%	\$1.00	0.00%	\$35.00	0.00%
2006-07	3.00%	76.80%	\$1.25	0.00%	\$1.10	10.00%	\$35.00	0.00%
<b>Total % Change</b>								
<b>Since 1981-82 ---&gt;</b>	<b>76.8%</b>			<b>99.5%</b>		<b>108.2%</b>		<b>70.8%</b>
2007-08	3.00%	79.80%	\$1.25	0.00%	\$1.10	0.00%	\$38.00	8.57%
2008-09	3.00%	82.80%	\$1.35	8.00%	\$1.10	0.00%	\$38.00	0.00%
		82.80%		107.48%		108.16%		79.36%

RideSource Fare History:

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

# Fare Policy

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

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

## OBJECTIVES

1. To promote fixed-route ridership by making the fare structure attractive to users
2. To improve the farebox recovery ratio
3. To improve the efficiency of fare collection
4. To promote equity of fare payment among patrons
5. To promote the most independent, appropriate and cost effective service option for people with disabilities.

## APPLICATION

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

## GUIDELINES

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

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

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

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

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

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

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

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

5. *Recognizing that increases in fares can have a negative impact on ridership, increases in the farebox recovery ratio should be pursued primarily by improving the ridership productivity of the system and by improving internal operating efficiency.*

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

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

~~collaboration with local social service agencies and charging~~ the Americans with Disabilities Act (ADA) maximum ~~allowable cash~~ fare.

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

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

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

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

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

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

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

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

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

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

Fare promotions may be single day fare adjustments or longer term promotions that achieve both promotional and operational outcomes. The provision of free EmX service is an example that meets promotional and operational outcomes. EmX customers will be able to try the system free, however the majority of regular riders will have already paid a fare before boarding an EmX vehicle. This allows the District to save a significant investment in fare machines that will become a component of the system when the second corridor comes on line.

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

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

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

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

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

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

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

**MAINTENANCE**

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

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

REVISED: 4/18/01  
3/17/04  
4/20/05  
1/18/06



## Fare Media Donations

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### OBJECTIVE

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

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### APPLICATION

The following guidelines apply to all fare media donations.

### PROGRAM GUIDELINES

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

### MAINTENANCE

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

# Fare Discounts

## Private Not-for-Profit Agency Program

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**OBJECTIVE**

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

**APPLICATION**

This policy applies to any private nonprofit [IRC 501(c)(3) and IRC 501(c)(19)] agencies who wishes to purchase fare media from LTD.

**PROGRAM GUIDELINES**

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

Agencies are eligible for a 50 percent discount toward the purchase of \$330.00 of fare media per month. The monthly amount of fare media will be indexed to token prices and will increase at the same percentage rate.

**MAINTENANCE**

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

## Wholesale Discounts

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### OBJECTIVE

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

### APPLICATION

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

### PROGRAM GUIDELINES

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

### MAINTENANCE

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

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

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# GROUP PASS PROGRAM

## OBJECTIVES

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

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Group pass programs attempt to:

1. Increase ridership and ridership productivity (rides per service hour) by encouraging transit and other mode use as an alternative to drive-alone automobile use and to provide convenient, effective, and efficient public transportation services to all group pass participants;
2. Reduce parking demand, traffic congestion, and auto emissions problems in the community;
3. Maintain or increase LTD's farebox to operating cost ratio; and
4. Decrease LTD's cost per trip.

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

## APPLICATION

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

## PROGRAM GUIDELINES

### Qualifying Organizations

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

2. Consists of employees, students, or residents of a multi-unit residential facility who have an ongoing transit need that requires them to make multiple trips each week to and from a specific destination. Lane Transit District reserves the right to determine whether the

transit-related needs of an organization qualify it to participate in the Group Pass Program.

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

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**Pricing**

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

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

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

Rates effective January 1, 2002. Current rates are available in annual pricing plan.

- 2. The cost of additional service that is instituted by the District to directly respond to increased ridership resulting from the group pass program.
- 3. Participating Group Pass organizations shall not, in any manner or form, charge their employees, students or residents a fee for a Group Pass which is greater than the fee paid by the organization to Lane Transit District for the Group Pass without the express written consent of Lane Transit District.

**Term of the Contract**

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

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

**Operational Issues**

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

**Marketing**

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

**Maintenance**

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

Q:\Reference\Board Packet\2006\03\Regular Meeting\GPP 2006 proposed revisions.doc  
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## EZ Access Half-Fare Program

### OBJECTIVE

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

### APPLICATION

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

### PROGRAM GUIDELINES

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

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#### Who qualifies for the half-fare program?

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

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

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

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

<sup>1</sup> FTA is a department of the United States Department of Transportation

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

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

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

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**MAINTENANCE**

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

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## FINANCE COMMITTEE AGENDA ITEM SUMMARY

- DATE OF MEETING:** January 10, 2007
- ITEM TITLE:** Pricing Plan Discussion
- PREPARED BY:** Andy Vobora, Director of Service Planning, Accessibility, and Marketing
- ACTION REQUESTED:** Review pricing plan proposal and direct staff to prepare a set of recommendations for full Board review on January 17, 2007.
- BACKGROUND:**
- In 2006, the Finance Committee made changes to the District's Fare Policy. One of the changes was to reinstitute the practice to rotate fare increases by category and to make changes in small increments of 10 percent or less. This practice had been successfully employed by the District from 1984 through 2000. Customers appear to respond more favorably to small incremental increases that allow them to move to less expensive fares. Customers also recognize that costs do increase over time and that small adjustments are necessary. The staff recommendation for fiscal year 2007-08 follows the direction set in 2006.
- In July 2006, LTD token prices were increased from \$1.00 to \$1.10 when purchased in quantities of five. This increase does not appear to have caused significant changes to the use of tokens. Tokens continue to be used by a small percentage of LTD customers, and over one-half of tokens redeemed are purchased by area agencies that provide tokens for client use.
- Staff is recommending an increase to monthly and three-month pass pricing during the coming year. Adult monthly passes would increase from \$35.00 to \$38.00, which equals an 8.6 percent increase. This would be the first change in monthly pass prices since 2002. A corresponding increase in the price of the District's reduced priced categories would result in a change from \$17.50 to \$19.00 per month. Three-month prices would change in a corresponding manner with adult prices moving from \$95.00 to \$103.00 and the reduced category passes moving from \$47.50 to \$51.50.
- LTD's group pass pricing is determined by calculating the three-year rolling average of LTD's cost changes. This year the calculation results in a recommended 8.1 percent increase. If adopted, this rate increase will follow a 6 percent increase in January 2007. It should be noted the 2007

calculation showed LTD's costs increasing by 9.1 percent; however, the Board chose to increase the rate by only 6 percent. The Group Pass Policy states that the rate is "not to exceed the three-year rolling average of LTD costs"; therefore, the Board has the flexibility to change the recommendation.

The attached documents incorporate the changes discussed. During the January 10 meeting, staff will review the recommendations and ask the committee to make comments and suggest final changes.

**RESULTS OF RECOMMENDED ACTION:**

The Finance Committee will discuss recommended changes with the Board on January 17, 2007.

**ATTACHMENTS:**

Fare Policy  
Pricing Plan

# Legal Notice

**Date:** May 11, 2020  
**To:** Michelle Bickell, Legal Publications  
*The Register-Guard*; Fax: 687-6677  
**From:** Chris Thrasher, Administrative Secretary  
Lane Transit District; Phone: 682-6200  
**RE:** Notice of Board Committee Meeting  
LTD Purchase Order #A-06403

**Please publish the following legal publication on Monday,  
January 8, 2007.**

## **NOTICE OF LTD BOARD COMMITTEE MEETING**

A meeting of the Finance Committee of the Board of Directors of Lane Transit District will be held on Wednesday, January 10, 2007, at 4:00 p.m., in the LTD Conference Room A at 3500 East 17<sup>th</sup> Avenue, Eugene (in Glenwood). Items for discussion include Capital Improvements Program, United Front legislative request, Fare Pricing Plan, and labor budget issues.

Alternative formats of printed materials (Braille, cassette tapes, or large print) are available upon request. A sign language interpreter will be made available with 48 hours' notice. The facility used for this meeting is wheelchair accessible. For more information, call 682-6100 (voice) or 1-800-735-2900 (TTY, through Oregon Relay, for persons with hearing impairments).

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## **Lane Transit District**

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

MINUTES OF FINANCE COMMITTEE MEETING  
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

January 10, 2007

Pursuant to notice given to *The Register-Guard* for publication on January 8, 2007, a meeting of the Lane Transit District Board of Directors Finance Committee was held at 4:00 p.m. on January 10, 2007, at Lane Transit District, 3500 East 17th Avenue, Eugene.

**PRESENT** - Debbie Davis, Mike Dubick, Dean Kortge

**CALL TO ORDER** – Mr. Kortge, chair of the committee, called the meeting to order at 4:00 p.m.

**ROLL CALL** – It was noted that all members of the committee were present. The following LTD staff also attended: Diane Hellekson, Mark Pangborn, Carol James, Todd Lipkin, Stefano Viggiano, Mary Adams, Andy Vobora, and Tom Schwetz.

**MINUTES** – The minutes of the March 7, 2006, meeting were approved, with Mr. Dubick abstaining since he was not at the meeting.

**FARE PRICING PLAN** – Mr. Vobora distributed handouts regarding fare pricing, in addition to background information that was included in the agenda packet. He stated that the LTD Fare Policy is used to provide direction in making decisions about changes in the District's fare structure. The guidelines recommend making small, incremental changes to fares and rotating among the categories to limit the impact to riders. The Pricing History handout showed the history of fare increases by category beginning in 1981 along with changes in the Consumer Price Index. The plan calls for a change to the adult pass price in FY 2007-08; therefore, staff are recommending an 8.57 percent increase, which increases the monthly pass from \$35 to \$38. The average increase over the last 10 years is approximately 4 percent.

Another handout showed how LTD compared to peer transit agencies. In regards to current fares, LTD's \$1.25 adult cash fare and \$35 adult monthly pass matched the median amount. An increase of the adult monthly pass to \$38 would put the fare slightly above the average of \$37.21. The reduced fare category has usually been half the full fare, except for cash fares which are currently slightly lower. Mr. Vobora noted that many peer agencies have kept their reduced fare prices lower than half.

In response to a question from Mr. Kortge, Mr. Vobora stated that *RideSource* fares are based on the ADA maximum of two times the cash fare. Since staff are not recommending a change to cash fares at this time, *RideSource* fares would not change.

Public hearings for fare increases would take place in February and March. Fare changes would become effective June 20, 2007, if approved by the Board.

Mr. Pangborn stated that only 5 percent of transit agencies have a fare policy. He believed having a fare policy is critical in terms of running an effective operation and getting buy-in from the public.

Mr. Vobora stated that the discounted three-month passes moved in step with the one-month passes. In terms of sales, not many are sold. In the past the biggest buyers were the youth, but they are currently part of the Student Transit Pass program. At some point, staff may recommend discontinuing three-month passes.

Staff also recommended an 8.1 percent increase to the Group Pass rates. Per policy, the base rate will be increased annually, not to exceed the three-year rolling average of LTD cost increases. For a taxpayer, the quarterly rate would increase from \$11.04 to \$11.93; for a non-taxpayer, the quarterly rate would increase from \$12.84 to \$13.88. A handout showed the history of Consumer Price Index (CPI) and Group Pass increases since January 2000, with the average increase at 4.1 percent. Group Pass participants may be concerned that the proposed increase is higher than the CPI increase; however, fuel prices have contributed to increased operating costs.

Mr. Kortge was concerned that participants might connect the larger increase with implementation of EmX. Mr. Vobora stated that the Group Pass rate increases would not go into effect until January 1, 2008. Only the larger participating groups would see a significant increase.

The Committee was comfortable presenting staff's recommendation to the full Board in January.

**UNITED FRONT REQUEST** – Mr. Viggiano stated that LTD, along with Lane County; the cities of Eugene, Springfield, and Coburg; and Springfield Public Schools, develops a coordinated set of local priorities for federal funding and presents these priorities to the Oregon Congressional delegation each year. This year's United Front trip is scheduled for February 25-28, 2007. LTD has three requests this year:

- \$29.59 million in Small Starts funds for 80 percent of the estimated design and construction costs of Pioneer Parkway EmX. This funding request may be split over two years.
- \$2 million for upgrade of radio frequency communications and related integrated system. The request was not approved last year. If the request is not approved this year, LTD will use federal formula funds to pay for the project because the system has to be replaced. Our lobbyists believe the request has a better chance to be approved this year.
- \$500,000 for alternative analysis for the third EmX corridor, which is a Federal Transit Administration required step when using New Starts funds. Staff believe this request has a good chance of being approved.

Mr. Dubick asked if the leadership change in Washington, D.C., enhances the chance of receiving the \$2 million request for the radio system. Mr. Viggiano believed the leadership change enhances our position in general. The state and community have done well under Congressman DeFazio in the past. Now Congressman DeFazio will be head of the Surface Transportation Subcommittee, which handles transit. Mr. Pangborn believed that Congressman DeFazio is committed to long-term projects. In general, transit does better under a Democratic Congress.

Mr. Pangborn stated that transportation, in general, is bi-partisan. The promise is that there will be a more open and transparent process in terms of earmarking at the federal level. The Eugene and Springfield stations, EmX, and vehicles have been earmarks.

In response to a question from Mr. Kortge, Mr. Viggiano stated that Linda Lynch, LTD's former government relations manager, would be organizing the Federal Priorities book and D.C. events. It

is unclear who would take over her role next year. Ms. Hellekson noted that Chris Thrasher, administrative secretary, would be working with Ms. Lynch to produce the book. Mr. Kortge stated that the year he went to Washington, D.C., all the elected officials he met with were very appreciative of the book, which helped them sort through the requests.

Ms. Hellekson stated that the Sheriff's Office would be advocating for the radio system because LTD works closely with the police when looking for criminals.

Ms. Davis asked what role the Franklin EmX's success would have during this trip. Mr. Viggiano believed it would have an influence. He stated that this is the first time LTD has sought funding through the New Starts/Small Starts program. LTD has submitted boxes of information on the Pioneer Parkway corridor so that the Federal Transit Administration (FTA) can perform a detailed analysis. The FTA will use a rating system to determine which projects should receive funding, and a report of recommended projects will be issued to Congress for action.

**LABOR BUDGET ISSUES** – Ms. Adams stated that the current labor contract was effective beginning July 1, 2004 and expires June 30, 2007. Negotiations for that contract were contentious and ended up with a protracted process and one-week strike. Contentious issues were health care and meal breaks for bus operators. The outcome of the agreement resulted in an increase of 5.4 percent in Personnel Services.

The negotiations resulted in a different model for health care. In 2005, there were no premium increases; in 2006, there was only an 8.6 percent increase. Management was pleased to have stopped the escalating costs of health care insurance, and staff have been pleased with the new plan.

Negotiation results also took care of issues around bus operator breaks. Contractual language was agreed upon which took care of concerns being raised by the state labor commissioner about following the labor law related to breaks. Bus operator runs were redesigned to build in breaks.

The contract also provided for modest pay increases.

The Board will meet in executive session on January 17 to hear a comprehensive overview of where we are currently and what the next bargaining issues might be. Staff will also lay out a strategy.

Ms. Hellekson added that staff would try to avoid getting into the numbers as early as they did last time and keep the Board at a policy level for a while to get a sense where the Board would like to go and what are the issues. What has kept LTD healthy is the correlation between payroll tax receipts and total personnel services costs. To the extent we can keep total personnel services costs growing at a rate less than or equal to payroll tax receipt growth, we are in good shape. The Board will be reminded of the trends and what that might mean to the negotiation strategy.

Mr. Kortge explained to Mr. Dubick that the Board during the last negotiation process strove to keep the increase of personnel services to 4 percent. He added that although the increase to the pension plan was not negotiated, it is, however, a significant piece of the pie for the long term.

In response to a question from Mr. Dubick, Ms. Adams stated that our current health plan carrier is PacificSource. Although LTD has had different carriers over time, PacificSource has been the only carrier in the marketplace to provide a managed care plan, which was in place prior to the current contract. For at least two years, PacificSource was the only bidder and essentially named their

price. During that time, LTD's rates were increasing by double digits. In 2006, PacificSource was one of four bids. The Joint Insurance Committee believed PacificSource was competitive enough that it made sense to continue using them as the carrier.

Mr. Dubick asked if there was a correlation between claims versus the rates. Ms. Adams believed there was. The primary factor used to calculate premiums is utilization.

Ms. Hellekson noted that health insurance plans were moved to the calendar year. The benefit going into the budget process is knowing what costs will be for six months.

**CAPITAL IMPROVEMENTS PROGRAM** – Ms. Hellekson introduced Mr. Dubick to LTD staff who were present as handouts of the capital projects summary were distributed. She explained that the Capital Improvements Program (CIP) and the Long-Range Financial Plan (LRFP) are rolling documents. The plans are monitored throughout the year and are revised once a year. The CIP is usually presented to the Board in February, and the LRFP goes to the Board in March. If approved, the first year of the LRFP becomes the proposed budget for the next year. The CIP is broken down into two sections: projects and funding.

Ms. James reviewed the line items of the CIP summary.

Mr. Dubick asked for an explanation of the Medicaid brokerage that is being established. Mr. Pangborn explained that when state and federal governments mandated programs to provide transportation, they also provided a revenue stream or tax base to fund the programs. However, Medicaid was always different and provided the highest reimbursement for a trip. The State, which is responsible for managing all of the funds, decided to combine the programs for efficiency.

Ms. James stated that Lane County is the last area in the State to schedule rides through a call center and broker Medicaid non-medical rides. The Department of Human Services handles all other areas in the state. If LTD chose not to take on the service, the calls would be handled by Roseburg. LTD, through RideSource, currently provides curb-to-curb service for people who are unable to use fixed-route service. Through the brokerage, we will be able to improve the efficiency of the RideSource operation because Medicaid rides will be paid for at a higher level. LTD would act as the middle man between the various providers of the medical rides (e.g., wheelchair taxi companies, ambulances) to provide rides at a lower cost to the State.

Ms. Hellekson stated that the brokerage would be phased in starting with Oakridge. Mr. Pangborn added that business would not be taken away from the current providers, such as South Lane Wheels. RideSource will schedule the rides for the providers and handle the billing.

In response to a question from Mr. Kortge, Ms. Hellekson stated that LTD agreed to operate the brokerage call center if there was no out-of-pocket cost to LTD.

In regards to funding, Ms. James stated that the Surface Transportation bill (SAFETEA-LU), which lays out how we receive our formula funds, would expire at the end of FY 2008-09. We cannot start projects that would be funded with formula funds until new authorizing legislation is in place. Last time, reauthorization was one and a half years late.

The boxes highlighted in beige on the funding summary indicate where funding is not assured but in the past we have received funding from formula money, state Special Transportation Funds, ODOT

discretionary grant money, Surface Transportation Program-Urban (STPU), and Surface Transportation Program (STP) funding. (Both STP-U and STP funds are highway funds.)

The boxes highlighted in pink with black numbers indicate United Front requests. The boxes highlighted in red with white numbers indicate discretionary assumptions from the next Surface Transportation bill.

In response to a question from Mr. Kortge, Ms. James stated that Other Local Sources funding is the 40 percent match for the West Eugene EmX extension. As directed by the Board, there is no General Fund commitment. Ms. Hellekson stated that an option for funding would be to partner with the City of Eugene who has a process in place for issuing bonds for a road project.

Mr. Pangborn explained that formula funds are appropriated by the federal government on a national basis and distributed on a formula basis. Ridership helps determine the formula. Discretionary funding on the other hand results from requests.

Ms. James stated that funding for Pioneer Parkway EmX is assumed to be 60 percent from the federal government and 40 percent local match. The 40 percent match would be made up of \$5.8 million from *ConnectOregon* funds and borrowing \$8.5 million to be paid off over 20 years. There is a chance the funding could be 80 percent federal and 20 percent local, which would eliminate the need to borrow long term.

The Committee approved taking the Capital Improvements Program proposal to the full Board in February.

**NEXT MEETING** – Ms. Thrasher would contact committee members to schedule the next meeting in early February.

**ADJOURNMENT** – There was no further discussion, and the meeting adjourned at 5:10 p.m.

(Recorded by Chris Thrasher, Lane Transit District)



## **FINANCE COMMITTEE AGENDA ITEM SUMMARY**

**DATE OF MEETING:** January 10, 2007

**ITEM TITLE:** 2007 United Front Request

**PREPARED BY:** Stefano Viggiano, Assistant General Manager

**ACTION REQUESTED:** None

**BACKGROUND:** Every year, LTD participates with Lane County; the cities of Eugene, Springfield, and Coburg; 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. Staff and officials representing each of the participating agencies travel to Washington, D.C., to present these priorities to the Oregon Congressional delegation. This year's United Front trip is scheduled for February 26-28, 2007.

LTD will have two funding requests this year. The first is a request for \$29.59 million in Small Starts funds for the Pioneer Parkway EmX. This request would fund 80 percent of the estimated project design and construction cost. This project has been approved by the Springfield City Council, Lane County Board of Commissioners, and the LTD Board, and has federal approval to advance to final design.

The second request is for \$2 million in Federal Transit Administration discretionary funds to help pay for an upgrade of LTD's radio frequency communications and related integrated systems. The upgrade includes replacement of mobile radio units, installation of base/control stations, installation of new equipment at transmitter sites, and improvements to dispatcher stations. These improvements are necessary to allow communication with Lane County's Emergency Coordinators during public safety emergencies.

**RESULTS OF RECOMMENDED ACTION:** Information only

**ATTACHMENTS:** None

January 10, 2007

TO: Finance Committee  
FROM: Stefano Viggiano, Assistant General Manager  
RE: United Front

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