

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING

Thursday, November 15, 2018

Pursuant to notice given to *The Register-Guard* for publication on November 8, 2018, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular board meeting on Thursday, November 15, 2018, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, President
Carl Yeh, Vice President
Kate Reid, Secretary
Don Nordin, Treasurer
Ed Necker
Steven Yett
A.J. Jackson, General Manager
Dwight Purdy, General Counsel
Camille Gandolfi, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER/ROLL CALL — Mr. Wildish convened the meeting and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT — Mr. Wildish noted that the RideSource Center had been renamed in honor of Ed Necker and his contributions to Lane Transit District. He said the Board would hold officer elections next month.

COMMENTS FROM THE GENERAL MANAGER — There were none.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — There were none.

BOARD CALENDARS — Ms. Jackson reviewed upcoming activities. She said she would be in Washington D.C. at the end of the month to discuss LTD's projects with legislators and to discuss legislative priorities in advance of the February 2019 United Front trip. She anticipated that information about the governor's appointments to fill Board vacancies would be available in about a week. A Senate confirmation hearing is scheduled for December 12, 2018.

EMPLOYEE OF THE MONTH – DECEMBER — The Board recognized Development Planner Hart Migdal as the December 2018 Employee of the Month. Mr. Wildish presented Mr. Migdal with his award and thanked him for his outstanding service and dedication to LTD's mission. Mr. Migdal said his employment with LTD was a great opportunity to do many things internally and also out in the community. He thanked the Board for his award and expressed appreciation for his colleagues.

AUDIENCE PARTICIPATION — Mr. Wildish explained the procedures for providing public testimony.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), said his organization worked on more than transit issues. BEST also worked with the community to promote transportation options, safe streets, and walkable neighborhoods. He said Lane County was the fourth largest county in Oregon, but had the highest number of traffic fatalities. He said LTD was part of the Safe Transportation Coalition with other regional jurisdictions and organizations, including BEST. November 18 was the World Day of Remembrance to remember those who have died and BEST was producing a video about road safety addressing the three behaviors identified as causing a majority of traffic fatalities: driving too fast, driving under the influence, and driving distracted. The video would be shown during the University of Oregon women's basketball game at Matthew Knight Arena on November 18.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** — Mr. Yeh moved that the Board approve the Consent Calendar for November 15, 2018, as presented. Mr. Necker provided the second. The Consent Calendar consisted of the Minutes of the October 17, 2018, Regular Board Meeting; Delegated Authority Report - October; Contract 2018-22 Wyatt's Tire Company and Contract 2018-88 Lynx Group.

VOTE The motion was approved as follows:
AYES: Necker, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Community Investment Plan (CIP) — Director of Finance Christina Shew reviewed the public engagement process to date, including comments from the Budget Committee that were incorporated into the CIP document. She noted that a link to the new Project Assessments (PA) was included on the Boards SharePoint site and new project reporting would begin in December 2018. She highlighted changes since the last presentation of the CIP:

- Removal of pre-Fiscal Year 2019 expenditures from Tier 1 project that was included in error.
- Addition of State Transportation Improvement Fund (STIF) administrative costs to Tier 3.

Mr. Necker asked what was included in STIF administrative costs. Ms. Shew said they consisted of reimbursements to Lane Council of Governments (LCOG) for their administration of several STIF program components and payment of LTD's internal costs for administration of STIF funds. She noted that the CIP represented 10 years of administrative costs.

Mr. Yeh thanked Ms. Shew and her staff for responding to questions about the CIP. Ms. Shew thanked the Board for being so engaged; it benefited the District.

MOTION Mr. Yeh moved the following resolution: LTD Resolution No. 2018-11-15-42: It is hereby resolved that the Fiscal Year 2019-2028 Community Investment Plan is approved as presented. Mr. Nordin provided the second.

VOTE The resolution was adopted as follows:
AYES: Necker, Nordin, Reid, Wildish, Yeh, Yett (6)

NAYS: None
ABSTENTIONS: None
EXCUSED: None

Low-Income and Student Fare Subsidy Programs — Ms. Reid said at the Board's February 2018 retreat discussion began about reviewing LTD's fare policies in anticipation of new revenue from HB 2017. She said an Ad Hoc Fare Policy Committee was formed that included representatives of a wide range of community interests. The committee met several times over the past 2 months and developed two recommendations for fare programs. Those recommendations were reviewed by the Strategic Planning Committee, which concurred with the recommendations and forwarded them to the Board for consideration.

Ms. Reid said the first was a modification of the Low-Income Subsidy Program. It was currently subsidized at 50 percent of the cost of each pass. LTD allocated \$250,000 for the program, resulting in \$500,000 in fares being distributed to the community through non-profits. The committee recommended increasing the subsidy to 75 percent of the cost of each pass and increasing the annual allocation to \$750,000, resulting in \$1 million in fares for the community through non-profit agencies. She said the difference was \$500,000, which LTD would submit as a STIF application.

Mr. Necker asked if the program was only available through non-profits. Ms. Reid said that was correct because the non-profits would be responsible for vetting the eligibility of pass recipients, relieving LTD of that overhead expense.

Mr. Nordin asked if the fare program was only available to residents within the Metropolitan Planning Organization (MPO) boundaries. Ms. Reid said it was for the population within LTD's boundaries; it was not restricted to the MPO.

Ms. Jackson noted that the Board was not being asked to approve the recommendations at this time, only indicate if it wanted staff to pursue the fare subsidy program recommendations. There was a separate, federally mandated process that the District conducted when there were fare modifications that would include public engagement. The recommendations could then be revised based on input from the community if the Board directed.

Ms. Reid said the existing policy allowed children 5 and younger to ride for free and youth age 6 through 18 paid \$25 for a monthly pass. The committee recommended a Student Fare Subsidy Program that would allow students in elementary school and younger ride free year round and students in middle school and high school ride free during the school year (September through June). Age was no longer used as an eligibility factor; school grade as shown on student identification cards would now be used to determine eligibility. She said the committee recommended limiting the program to the school year for middle and high school students because the 1Pass program - a partnership with Willamalane Park and Recreation District, City of Eugene, and a number of for-profit businesses - would still be in existence and it provided youth with a pass and access to a wide variety of recreational opportunities over the summer.

In response to a question from Mr. Yett, Ms. Reid said the recommended modification to the Low-Income Fare Subsidy Program would result in \$500,000 in additional expense to LTD, while

the Student Fare Subsidy Program recommendation was estimated to result in a \$700,000 farebox loss. This would result in a total cost for both programs of \$1.2 million.

Mr. Yeh spoke in favor of the committee's recommendations. He was particularly pleased with the student fare recommendations, which would provide increased mobility for students, their parents and guardians and promote transit ridership at an early age.

Mr. Wildish asked if the student fare program would have additional cost implications on the service side with the increased demand for service. Ms. Reid said it would, but that was not included as part of the fare policy discussion. She said operating costs would be addressed through the STIF application process.

Mr. Wildish and Mr. Yeh thanked the Ad Hoc Fare Policy Committee for its efforts.

MOTION Mr. Necker moved adoption of LTD Resolution No. 2018-11-15-43: It is hereby resolved that the LTD Board of Directors approves the recommendation given by the Ad Hoc Fare Policy Committee and the Strategic Planning Committee as presented. Mr. Yett provided the second.

VOTE The resolution was adopted as follows:
AYES: Necker, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Transit Tomorrow: Presentation by Jarrett Walker & Associates — Director of Planning and Development Tom Schwetz introduced Daniel Costantino of Jarrett Walker & Associates, project manager for Transit Tomorrow, to provide a project status report and the scenarios to be presented to the public in January 2019.

Mr. Costantino said the purpose of Transit Tomorrow was to conduct a comprehensive operational analysis to determine how LTD's transit network should be designed and identify the goals the network was trying to achieve. A key question to be answered was the tradeoff between ridership and coverage; focusing too aggressively in one direction or the other could have unpopular or unintended consequences. He used the system map from the Long-Range Transit Plan to illustrate how service on the main corridors was oriented toward ridership and service elsewhere in the system was oriented toward coverage.

Mr. Costantino presented the results of the public outreach process, which indicated that in the broader community there was more interest (60 percent) in ridership and high frequency than universal coverage. He said there was significant reluctance to consider a significant network redesign, although shifting toward a high ridership network would mean a more comprehensive redesign. He said among all groups responding there was high interest in improving evening and weekend frequency. He said another tradeoff that had emerged was between more service and more affordable service, which had implications for the use of STIF funds.

Mr. Costantino used a graphic to illustrate how the four scenarios developed during the core design workshop fell along the ridership and coverage axes and compared each scenario to LTD's current network. He noted that higher ridership scenarios represented significant design changes, while more coverage scenarios represented less redesign of the network. He explained how each of the scenarios would be implemented and the impact of different choices.

In response to a question from Mr. Necker, Ms. Jackson said fares comprised about 16 percent of LTD's revenues.

Mr. Costantino stressed that people would not be voting on a specific scenario; they were designed to show the far ends of what could be done. The public engagement process would provide input to the Board on community preferences to inform the Board's decisions on a short-term plan. He said a scenario report would be issued in December that described each scenario and its impacts and the public engagement process would occur in January and February 2019, with results compiled and presented to the Board in March.

Regarding the STIF timeline, Mr. Costantino said an application for STIF funding was being prepared and the Ad Hoc Fare Policy Committee had presented proposals for youth and low-income fare subsidy programs. He suggested the Board might want to consider the outcomes of the public engagement process in terms of whether that impacted their final decisions. He said it was important to be clear with the public about any decisions the Board had already made.

Mr. Yeh asked what reasons were given by those community members who wanted more coverage. Mr. Costantino replied that people were asked about their priorities and tradeoffs and the groups more interested in coverage included seniors and riders outside the metro area. Regardless of whether respondents favored ridership or coverage, virtually all of them wanted more weekend frequency.

Ms. Reid pointed out that Transit Tomorrow would not produce changes in LTD's service outside of the metro area; there were no plans to reduce service in outlying areas.

Mr. Costantino said during development of the high coverage scenario there was discussion of increasing service to Coburg to make it more useful as a neighborhood route.

Mr. Nordin asked if Transit Tomorrow was only concentrating on LTD's inventory of buses and not looking at integrating with other transportation modes and emerging technologies. Mr. Costantino said the idea was for LTD to determine what it wanted its fixed route network to do and then take from there the logical consequences for demand-responsive service and other forms of service that LTD could provide. That would provide LTD with a tool for approaching new transportation options.

Mr. Wildish asked if impacts from any of the scenarios, such as increased operation on weekends, to LTD's current union agreement had been considered. Mr. Costantino said that was not explicitly considered, but none of the scenarios impacted who was driving buses and he did not expect significant issues. Assistant General Manager Service Delivery Mark Johnson said the labor agreement addressed the fact that LTD altered routes frequently and he did not anticipate any problems.

State Transportation Improvement Fund (STIF) Project List — Mr. Schwetz distributed a handout entitled *Draft STIF Project Application Detail*. He said the list totaled 130 percent of the estimated STIF funds available to LTD as recommended by the state, which made conservative projections of initial revenue. He said there were no plans at this time for using out-of-area STIF funds that were estimated to be \$900,000; those would be determined through the process being managed by Lane Council of Governments (LCOG).

Mr. Schwetz reviewed LTD's prioritized project list and the STIF funding to be requested for each in FY 2019, FY 2020, and FY 2021. The priorities were as follows:

1. **Bus Service:** Fixed Route Operating, Youth Program Capacity, EmX Operating, Paratransit Operating, Fixed Route Operating 2
2. **Fare Subsidy:** Youth Program, Low-Income Program
3. **Rolling Stock/Vehicles:** MOD Vehicle, 40' Hybrid-Diesel, 60' Hybrid-Diesel, Paratransit Vehicles, Fleet Capacity Increase
4. **Mobility as a Service:** MOD Operating, MOD Administration, Strategic Partnerships, Mobility Management Plan, EV Partnerships
5. **Reserves:** Capital Reserve, Operating Reserve
6. **STIF Administration:** LCOG, LTD

Mr. Schwetz said the project applications had to be submitted to the local process being managed by LCOG by December 20. He said there could be opportunities to make minor adjustments to applications as a result of the Transit Tomorrow project, within existing parameters.

Ms. Reid asked if amount allocated for MOD vehicles included maintenance costs. Mr. Schwetz said the amount was for vehicle purchase only.

Ms. Reid asked what LTD administrative expenses would be covered by the allocation of \$200,000 in STIF funds in FY 2020 and FY 2021. Ms. Jackson said that administering the various STIF-funded programs could require the addition of a position to the staff and the amount would be that personnel cost. She said it was clear that the Finance Department in particular would be heavily impacted by the new revenue stream's tracking and reporting requirements for which LTD would be responsible. She said if LTD did not need to hire an additional position the funds would not be used and carried over to the next fiscal year, but if administrative costs were not included in the application LTD could not add them later.

Ms. Reid commented that the administrative costs for Mobility as a Service seemed low, especially if the program became very popular and grew substantially. Ms. Jackson said that some administrative costs could be absorbed at lower levels and if necessary the other STIF administrative funds could be used.

Mr. Wildish said mobility on demand (MOD) was an exciting concept with great opportunities for partnerships.

Ms. Reid commented that the Fixed Route Operating 2 and Fleet Capacity Increase elements of other priority categories had been identified as lower priority of the STIF disbursement was closer to the 100 percent estimate. She asked if any element of the Mobility as a Service category had

been identified as lower priority. Ms. Jackson responded that using the MOD service required using a contractor's software, which had a cost. Mr. Johnson had been researching available software programs to determine if one application could integrate a variety of transportation modes. She said the Fixed Route Operating 2 and Fleet Capacity together totaled the additional 30 percent of expected STIF dollars.

Mr. Schwetz explained that the STIF plan would consolidate projects and be submitted by May 1, 2019, after approval by the LTD Board acting as the qualified entity at its April 2019 meeting. He said funds would be available in November and could be used to reimburse LTD for previous expenditures.

Coordinating Main-McVay Transit Study and Main Street Safety Study — Mr. Schwetz reviewed the timelines for both projects included in the agenda packet. He noted the points at which the Springfield City Council, Governance Team and Springfield Planning Commission would be making decisions about the safety study. He said a corridor strategic advisory committee was being formed to advise decision-makers and public input would be obtained through extensive outreach to residents, business and property owners, and the general public. A team of Springfield Oregon Department of Transportation (ODOT) and consultants was supporting the project and there was a technical advisory group composed of staff from several public agencies, including LTD.

Mr. Schwetz said the transit study decision-making was shared between the Springfield City Council and LTD Board, with the Governance Team making recommendations. A project management team was composed of Springfield and LTD staff. He used a graphic to illustrate how the two processes would align, with the safety project planning phase expected to be completed within a 2020-2021 timeframe and decision by the City Board and Board on a locally preferred solution sometime within that same timeframe.

Ms. Reid said the Governance Team had agreed to meet quarterly, but that did not seem to be happening. She asked that a meeting be scheduled as coordination of the two projects was complicated and the Governance Team needed to be kept informed. Ms. Newman said she hoped to schedule a meeting in January 2019.

Ms. Newman announced that the safety study survey was now available online and would remain open through December 5 and could be found at MainStreetSafety.org. She asked that Board members help to spread the word.

Board Member Reports — Ms. Reid reported on the Oregon MPO Consortium (OMPOC) meeting. She said the Oregon Transportation Commission (OTC) had conducted a survey of area commissions on transportation (ACT) and most ACT's had expressed frustration at the lack of a participatory role in prioritization of transportation projects and funding. She said 2019 legislative priorities were also discussed and developed some specific issues, including cap and invest, jurisdictional transfers and autonomous vehicles. She said there was a STIF roundtable and members discussed what their local areas were planning for use of STIF funding. She said transit agencies were taking several different approaches and 18 of 40 qualified entities across the state submitted applications in the November 2018 time period.

Mr. Necker left the meeting at 7:05 p.m.

Ms. Reid said legislative priorities were also discussed at the Metropolitan Policy Committee (MPC) meeting. She reported that meetings of the STIF Advisory Committee, Strategic Planning Committee, and Ad Hoc Fare Policy Committee had also occurred.

Mr. Nordin reported that members of the LaneACT were coalescing around certain issues. He said that ACT expressed interest in lobbying and realized that ODOT's modal committees were not always in sync with the ACT's. He said the LaneACT was further exploring its role following the passage of HB 2017 and he would be attending an OTC meeting on November 16 as a member of the LaneACT. He said there was significant discussion of the disruption caused by ODOT's Hwy 126 bridge project.

Ms. Reid reported she had an interview with the consultants conducting a communications analysis for the District. She presented the Board's perspective on communications based on previous discussions at Board meetings.

Financial Report — Ms. Shew reviewed the September 2018 Year-to-Date financial report provided in the agenda packet, noting key drivers for revenues and expenditures in the General Fund, Medicaid Fund, Accessible Services Fund, Capital Projects Fund, and Point2point Fund. She said expenditures and resources were aligned and LTD was current with draw downs of funds.

Monthly Cash Disbursements - November — There were no questions.

Monthly Grants Report - November — Ms. Jackson said the new report format showing projects, their status, and reimbursements would be available for the Board's December meeting. She said that reimbursement reports were made quarterly to the state and federal levels. She asked if the Board preferred to receive estimated monthly or actual quarterly grants reports. It was the consensus of the Board to receive quarterly reports.

Monthly Performance Reports - September/October — There were no questions.

Mr. Wildish remarked that the reports looked good and the District was heading in the right direction.

Monthly Department Reports - November — There were no questions.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING - REQUESTED BY THE BOARD — There were no requests.

EXECUTIVE (NON-PUBLIC) SESSION PURSUANT TO ORS 192.660(2)(f): to consider information and records that are exempted by law from public inspection — Mr. Wildish determined that the nature of the discussion would not require an executive session.

Mr. Johnson stated that LTD had received the first BYD electric bus on September 24 and the testing period would end on November 16. He described some of the testing that was conducted, noting the bus was run harder than it would typically be when in service. The bus had performed well and any issues were addressed by BYD technicians on site. He said there were

no outstanding performance issues, although BYD still needed to provide manuals, schematics, and training. He said the District had a 15-day period in which to make those requests and he was working with legal counsel on an addendum to the contract to include all outstanding requirements.

Mr. Johnson said because the buses were highly technical vehicles, most of the issues related to programming. LTD could not update the software on the bus; BYD had to provide those and LTD needed a reliability standard to address that issue. He said the four additional buses LTD would receive would go through the same process and felt that BYD had generally been responsive.

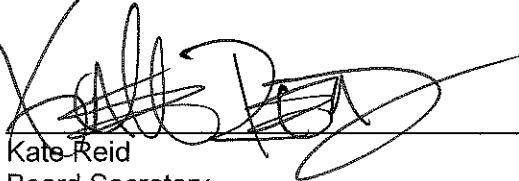
Mr. Yeh asked if the software updates required BYD technicians to come on site or could the updates be sent to LTD for installation. Mr. Johnson said BYD technicians had been doing updates on site, although LTD staff could be trained to install them.

In response to a question from Ms. Reid, Mr. Johnson said LTD would submit an acceptance letter to BYD identifying the outstanding issues that had to be addressed before payment would be made.

ADJOURNMENT

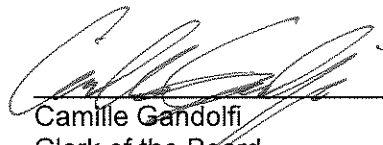
Mr. Wildish adjourned the meeting at 7:25 p.m.

LANE TRANSIT DISTRICT:



Kate Reid
Board Secretary

ATTEST:



Camille Gandolfi
Clerk of the Board

Date Approved: 12/19/18

