

MINUTES OF BUDGET COMMITTEE MEETING

LANE COUNTY MASS TRANSIT DISTRICT

June 12, 1974

A meeting of the budget committee of Lane County Mass Transit District was held at the City Hall in Eugene, Oregon, on June 12, 1974, at 7:30 P.M. pursuant to adjournment from its meeting of May 29, 1974.

Present were the following:

Board members

Gary Buell
Jack Craig, Treasurer
Daniel Herbert, President
Kenneth Kohnen, Vice President

Absent:

Marcella Fetzner
Glenn Randall, Secretary

Appointed members

Jim Martin
Russell Poff
Dick Rice
Dennis Spitze
Agnes VanDevender

Absent:

Irvin Fletcher
Mack Fullmer

The chairman of the budget committee, Mr. Herbert, opened the meeting by pointing out that the proposed budget submitted by the budget officer is based upon the same tax rate as is currently in effect, but applied to the entire county instead of only to the present service area. He then called for any comment from the audience.

Edward Rubey, CPA of Eugene, Oregon, stated that he had made a study of the budget on behalf of the Eugene and Springfield Chambers of Commerce and he submitted to the committee his own seven page analysis and proposed budget in the sum of \$3,798,996.00. He advised that the existing payroll tax on the existing service area will produce adequate revenue for service within the present service area boundaries for the coming fiscal year and expressed the opinion that taxes should not be applied outside the existing service area until the board is prepared to provide service outside the existing service area. He suggested that the anticipated beginning balance of \$79,200.00 might prove to be too low and that the figure should be recalculated prior to final adoption of the budget. Mr. Rubey requested the budget committee to give serious consideration to his budget proposal.

Rob Bunnett of 361 East 13th, Eugene, Oregon, said that he had been serving as a Vista volunteer with the Social Services

Division of Lane County. He spoke of the petitions received for service outside the Eugene-Springfield metropolitan area and told of having attended a number of meetings in various areas where outside service was requested. He found those meetings well attended and explained that many people living outside the metropolitan area have real need to come to the metropolitan area for special services such as medical services. He urged the board to consider the needs of those people for mass transportation services.

Leonard Wildish of 1211 Park Avenue, Eugene, Oregon, a former member of the district's board of directors, told the board that some of the more expensive items of equipment in the budget should be deleted as being too expensive and not necessary. He felt that adequate equipment is available for use by the district in the service area and that it would be more economical to use that equipment than to purchase equipment for the district. He recommended Mr. Rubey's proposed budget and said that he would delete the same items from the budget officer's proposed budget as Mr. Rubey recommended deleting. He also asked the board to spend its money within the local community as far as possible, rather than spending it outside the local community.

Doug Orme of 2225 Washington Street, Eugene, Oregon, objected to the increase in total tax revenues and urged the district to try to get a broader tax base.

Pauline Treadaway of 6228 Main Street, Springfield, Oregon, expressed her appreciation for the bus service, complimented the bus drivers on their courtesy, and favored action to fill the desperate needs of the disabled.

June Parrish of 1461 McPherson Place, Springfield, Oregon, told the committee of her appreciation for the bus service, and for its free service to the elderly, praised the courtesy of the bus drivers and stated that she would be willing to pay some bus fare in order to keep the service going.

Daren Engel of 1743 Carriage Place, Springfield, Oregon, complimented Mr. Herbert for keeping the meeting open for public comment. He spoke in favor of mass transportation, but criticized the taxing methods and the excessive expenditures. Mr. Engel read from an editorial in the Springfield News, expressing the view that if mass transit depended upon a public vote it would have to exist solely on bus fares; that the system should be run like a business and that bus routes should not be started or maintained that do not have enough riders; that people living far out in the country do so from choice and the transit district should not feel responsible to furnish service to those people.

Audrey Hamilton of Springfield, Oregon, spoke favorably of the courtesy of the bus drivers and requested an extension of service beyond 69th Street in Springfield.

Frances Heath of McKenzie Bridge, Oregon, asked for extension of service beyond the present area.

Mark Jones, 1717 Prescott Lane, Springfield, Oregon, requested the budget committee to move a bus shelter.

The chairman, Mr. Herbert, then asked if there was any further public comment and there being none, declared the audience participation concluded.

The general manager, Fred Dyer, then addressed the committee about the relationship of the list of goals and objectives to the budget document that he had prepared and presented. He read through the various program descriptions set forth on four pages entitled "Budget Programming" accompanying the budget document and explained them to the committee. He expressed his conviction that his proposed budget was reasonable and prudent and was not padded. As far as the service to the county outside the existing service area is concerned, Mr. Dyer advised that such an extension of service would depend upon whether the district received the funds which the county has indicated it would provide.

Mr. Kohnen asked whether the district could obtain federal grant money for certain items of equipment and then spend it for something else. The general manager replied that we could make changes if we could get federal approval for the changes.

Jack Craig advocated keeping the maintenance equipment in the budget as requested. Gary Buell commented that the buses could be maintained more economically by private concerns as opposed to the district having its own equipment and doing its own maintenance. Dick Rice asked the general manager whether he had studied the relative cost of maintenance each way, that is by the district doing its own maintenance or having it done by private concerns. Mr. Dyer said that he couldn't tell which would be the most economical, but felt that the district needed to have its own equipment so that it could make its own repairs whenever needed.

Jim Martin asked Mr. Dyer whether the proposed specialized equipment could be operated by existing personnel or whether it would require employment of additional personnel. Mr. Dyer answered that although some additional personnel would be needed to operate the special equipment, there would be no additional cost because the district will have to hire the same number of additional personnel anyway.

The committee then started to go through the budget, item by item.

Jack Craig advocated an increase in the general manager's salary and moved that it be raised to \$25,000.00 per year. The motion died for lack of a second.

Gary Buell moved that the district add no new administrative personnel in the forthcoming fiscal year. The motion was seconded and discussed. After some question as to the meaning of the budget proposal, Mr. Herbert clarified the matter by explaining that there are now seven administrative personnel and the budget proposal would add four, making a new total of eleven. Mr. Craig commented that as the district is increasing its service, it would be ridiculous not to increase the staff.

Jim Martin asked why the budget included payment for new personnel for the entire year when it was not expected that the extended service could be started until March of 1975. Mr. Dyer replied that he has adjusted for that in his figures and also for possible raises for the personnel.

Mr. Spitze then moved to table Mr. Buell's motion until the committee has finished consideration of the goals and objectives. The motion to table was voted upon and carried.

Jack Craig moved to approve all of the programs described in the four-page program description. After some discussion Mr. Craig withdrew his motion so that each program could be considered separately.

The committee then began consideration of program No. 1 entitled "Increase Capacity within Existing Service Area." Mr. Buell pointed out that this program is based upon an assumed 50% increase in ridership by the end of the fiscal year and expressed his doubt that ridership will increase that much. Dick Rice asked why the district's ridership increase was so much greater than the rest of the country's increase. Mr. Herbert answered that the increase was attributable to great interest in mass transit locally and to the selling campaign which the district had pursued.

Fred Dyer assured the committee that through his experience he is better qualified than most people to predict ridership and that his predictions have proved to be very accurate each year since the beginning of the district's operations, and he believes that his 50% increase prediction is conservative.

Kenneth Kohnen advised that the committee should consider that government policy at all levels favors increase in mass transportation; that we face energy limitations in the future; and that the district ought to be in a position to respond in case of a great rise in ridership. Mr. Craig stated that in his opinion, the increased cost of gasoline will result in increased bus ridership.

Jim Martin then moved to approve program No. 1, "Increase Capacity within Existing Service Area", without, however, approving the specific amount of its estimated cost in the proposed budget. The motion was seconded by Mr. Craig, voted upon and carried.

The committee then considered program No. 2 entitled "Extend Service to Laurel Hill, West Santa Clara, Southwest Eugene, Northeast and Southeast Springfield". Mr. Dyer and Dave Rynerson pointed out to the committee that the funds budgeted for this program, \$188,425.00 would not be sufficient to accomplish the entire program, but would only provide partial accomplishment by implementing the University of Oregon shuttle, the Valley River/River Road transfer, and LCC schedule adjustments in September, 1974. After some discussion and on motion duly seconded, the committee voted to approve the partial accomplishment of the objectives of program No. 2 as stated above without approving the specific amount of estimated cost.

The committee then moved to the consideration of program No. 3 entitled "Respond to Developing needs for Public Transportation in Lane County beyond the Existing Service Area". The detailed program description for this program was discussed and explained. Mr. Poff asked Mr. Dyer how he would handle the subsidizing of bus fares on public carriers from Oakridge, Cottage Grove and Creswell. Mr. Dyer answered that the district would pay Greyhound or Trailways for tickets and then charge the district's bus riders an amount equal to what it would cost the district to carry those riders on the district's own buses if the district was able to provide buses to serve those communities. Mr. Dyer estimated that the cost of this subsidizing program would be about \$1,612.00 per week or approximately \$84,000.00 per year. Jim Martin asked whether, under that program, the subsidy would have to provide free bus rides for the elderly to and from Oakridge, Cottage Grove and Creswell on evenings and weekends. Mr. Dyer responded that he believed that the elderly would be entitled to such free rides. Opinion of the district's legal counsel was requested and Mr. Bryson undertook to study the matter and report back to the committee. On motion of Mrs. Vandevender, duly seconded, the board voted to approve program No. 3, "Respond to Developing needs for Public Transportation in Lane County beyond the Existing Service Area" without approving the specific amount of estimated cost and on the condition that Lane County does provide the funding for this program which it has indicated it will provide.

On motion of Gary Buell, duly seconded, the board voted without discussion to approve program No. 4 entitled "Provide a prototype system that includes provisions for the specialized needs of the physically limited and elderly" without approving the specific amount of estimated cost.

The board then, without discussion and on motion duly seconded, voted to approve program No. 5 entitled "Develop new transportation methods meeting a variety of individual trip needs in the Eugene/Springfield Urban Service Area" and the remaining programs listed on pages 3 and 4 of the budget programming entitled "To continue aggressive marketing programs to increase and diversify ridership"; "To secure capital grants to assist in

development of programs and to increase the level of service";
"To continue progress toward obtaining new transfer facilities";
"To provide connection with and support for other transportation
modes"; To continue working with local government agencies to
include public transit provisions in zoning and other ordinances";
"To provide leadership in coordinating development of trans-
portation facilities with other agencies"and"To initiate and
support legislation which would enhance public transportation"
without approving the specific amounts of estimated cost for
the respective programs.

The meeting was then adjourned until Tuesday, June 18,
1974, at 7:30 P.M. at the City Hall in Eugene, Oregon.

Secretary