

MINUTES OF DIRECTORS MEETING
LANE COUNTY MASS TRANSIT DISTRICT

September 26, 1974

The board of directors of Lane County Mass Transit District met at the City Hall in Eugene, Oregon, on September 26, 1974, at 7:30 p.m. pursuant to adjournment from its meeting of September 17, 1974.

Present were:

Richard A. Booth
Jack J. Craig, Treasurer
Daniel M. Herbert, President, presiding
Kenneth H. Kohnen, Vice President
Glenn E. Randall, Secretary
Ruth Shepherd
Fred Dyer, General Manager
Richard Bryson, Counsel.

Absent:

Gary Buell.

PLANNING - EXTENSION OF SERVICE: Mr. Dyer called upon Dave Rynerson to start the discussion of the extension of service beyond the present service area. Mr. Rynerson handed to the board members and orally presented a written report entitled "Presentation of Alternatives" in which the district staff set forth three sub-alternatives to alternative 4, said alternative 4 having been presented to the board at the meeting on September 17, 1974.

As presented by Mr. Rynerson, sub-alternative A provided for the extension of service so as to exclude Junction City, Florence and Cottage Grove. Sub-alternative B would exclude Junction City, Florence, Cottage Grove and Oakridge, and sub-alternative C would exclude Florence, Cottage Grove, Oakridge and Creswell. Mr. Rynerson also presented to the board an alternative analysis showing under each of the sub-alternatives statistics of population and employment, projected ridership, tax revenues, fare box revenues, and capital grants under each of the sub-alternatives 4-A, 4-B and 4-C as compared with alternative No. 1, which was the plan for extension of service to the entire county as contemplated in the last budget. The analysis also included a new alternative 6 which Mr. Rynerson explained provided for the same area for extension of service and the same

COBURG CHAMBER OF COMMERCE

transportation service as sub-alternative 4-C, but with the tax rate increased to .0054 and the effective date of taxation in the outlying area and effective date of increase of tax in the present service area placed at October 1, 1974; and the capital grant revenue in alternative 6 being the same amount as the capital grant included in alternative No. 1.

In response to questions, Mr. Rynerson explained that the staff had eliminated Creswell in alternative 4-C because there was little or no support for extension of service to the Creswell area and because the area is relatively well served at this time by Greyhound. The staff included Junction City because there was considerable support for service there and considerable need shown for the extension of service to that area. The staff also found there was a substantial number of commuters who reside in the Junction City area that work in the Eugene-Springfield area. He also pointed out that the Oakridge City Council has asked the district not to extend its service or tax to Oakridge at this time.

Mr. Herbert then opened the meeting for public questions and discussion from the audience. A member of the audience asked whether a bus between Eugene and Junction City would go through Alvadore. Mr. Rynerson replied that he was not sure at this time.

Mr. High from Oakridge said that he was a member of the City Council and was present in order to answer any questions that anyone might have.

Mr. Kneeland of Coburg Chamber of Commerce said the Chamber of Commerce has opposed the extension of service to the town and to the farm area around it. He stated that the people in the town work on various shifts and go off in different directions to work and the situation is not appropriate for the extension of bus service.

Bob Davis of Coburg said he questioned the need for service to the Coburg area, he thinks that the Greyhound service is adequate and that the population is too small to support service by the district.

Dan Savoie, also from the Coburg Chamber of Commerce, told the board that the chamber thinks bus service to the Coburg area is not feasible and that most of the time it would only have one or two people riding the bus.

Van Weatherick of Coburg, Oregon, spoke in opposition to extension of service to Coburg. In response to inquiries from the audience, Mr. Rynerson stated that the service to the Coburg area as presently contemplated, would be mid-morning and mid-afternoon,

six times per week, but there has been substantial number of requests for commuter service so the staff is considering that. He said that the buses to be used would be the large size and that the time to get from Coburg to 10th and Willamette Streets in Eugene would be about 30 minutes.

Bob Kizer, who operates the KOA Kampground at Coburg, said he thought the extension of service to Coburg is not feasible.

Norma Phifer, an associate member of the Coburg Chamber of Commerce, spoke in opposition to extension of service to Coburg. She said that there are other ways for people to get rides on a volunteer basis from Coburg to Eugene and that the business people of Eugene should not be taxed for the benefit of the people in the Eugene area.

Gary _____, a farmer, said that he is a member of the Coburg Chamber of Commerce; that he participated in conducting a survey of potential ridership for the Chamber of Commerce and found that there were few people who would ride the bus.

Mr. Herbert then read a resolution of the Common Council of the city of Oakridge adopted on September 19, 1974, strongly opposing the board of directors of this district taking any action to include the city of Oakridge in either the service area or the taxing district until requested to do so either by a majority of the citizens of Oakridge or a majority of the Common Council of Oakridge.

Mr. Herbert then asked if any other members of the audience wanted to ask any questions or make any comments and, there being none, he then declared the public comment portion of the meeting closed.

A motion was then made by Mr. Craig and seconded by Mr. Randall that the board of directors adopt Alternative No. 1 establishing the entire county as the service area and extending service and taxation to the entire county in accordance with the recently adopted budget. Mr. Craig argued in favor of the motion and expressed his opinion that the payroll tax is not too large a burden for the employers and is deductible for income tax purposes.

Mr. Kohnen asked for a further explanation of the rates of tax proposed for the various areas and wanted to know whether expenditures would be balanced with resources under each of the alternatives. In response, Mr. Dyer informed him that resources would be balanced with expenditures under each of the alternatives and that in each case the tax would only be applied in the areas served.

Mrs. Shepherd told the board that she had considered both the payroll tax and the kind of service to be rendered. As far as the tax was concerned, she said that if a better alternative could be found, we should use it but, in the meantime, she did not object to using the payroll tax. She said she was more concerned with the type of service to be given to the outlying areas. She objected to Alternative No. 1 in that it would only give service between the Eugene-Springfield area and the outlying communities. Mrs. Shepherd complimented the fine staff work, but found that she was still lacking detailed information as to the extent of service to be afforded within the outlying communities.

Mr. Booth expressed the need to find an alternative to the payroll tax and opposed gross extension of service until a better revenue source is found. He told the board that he didn't believe that it was ever intended that the mass transit system should serve the rural areas. He opposed Alternative No. 1 because he found that the majority of people in the outlying areas were opposed to it. He felt it was objectionable that most of the outlying areas would be paying much more in relation to the service they receive. It appeared to him that people in the outlying areas felt they would be supporting service in Eugene and that those areas would be pouring money into the metropolitan area beyond the service they would be getting.

Dan Herbert then mentioned his opposition to Alternative No. 1. He said that he felt that the needs are different in different parts of the county. He mentioned the different number of working commuters going into outlying communities such as Florence, Oakridge and Cottage Grove from the areas around those communities and noted that our estimate of their needs lacks the authenticity of the estimates of needs in the Eugene-Springfield area when service was started here. Mr. Herbert told the board that he favored Alternative 4-C.

Mr. Craig, with the consent of his second, withdrew his motion to adopt Alternative No. 1 and moved the adoption of Alternative 4-C. Mrs. Shepherd seconded Mr. Craig's motion.

Mr. Randall asked the difference between Alternatives 4-C and 6. Mr. Rynerson advised him that both alternatives contemplated the same area and the same service, but under Alternative 6 the tax rate would be increased to .0054 over the entire service area effective October 1, and in addition to that, Alternative 6 included the entire capital improvements program which was included also in Alternative No. 1.

Mr. Randall stated his preference to Alternative 6 rather than Alternative 4-C. Mr. Herbert asked Mr. Rynerson to explain the difference between Alternative 6 and 4-C as to capital grants. Mr. Rynerson explained that under Alternative 4-C the federal

grant would be \$296,000 covering the acquisition of real estate and a small amount of equipment whereas, under Alternative 6 the grant would be \$1,058,240, would include all of the real estate and all of the equipment and would pay for one-half of the new buses. Mr. Kohnen asked whether the area taxed would be the same under 4-C and 6, to which Mr. Dyer answered in the affirmative.

Mr. Craig with the consent of his second, then withdrew his motion to adopt 4-C and moved the adoption of Alternative 6. The latter motion was seconded by Mr. Randall.

Mr. Herbert spoke against the motion, stating his preference for Alternative 4-C. He said he feels that the capital improvements are necessary, but thinks the board should address the question of raising matching funds for the larger federal grant by other means at a later date, such as increasing the payroll tax, selling bonds, or trying to get the use of more federal operating funds.

Mrs. Shepherd asked whether the main difference between 4-C and 6 was the funding of capital acquisitions to which Mr. Dyer replied that it was, and that, although the board did not have to decide on the federal grants question immediately, he felt that such a decision should be made very soon. In response to an inquiry by Mr. Craig as to his recommendation, Mr. Dyer explained that it was difficult to maintain the operation with the present equipment; that for over two years he has worked under adverse conditions that could be corrected by the capital grant and that it was essential that new equipment be obtained very soon.

Mr. Craig pointed out that if capital acquisitions are postponed, inflation will hurt the district with price increases.

Mr. Bryson, the district's counsel, reminded the board that the adoption of a resolution to accept one of the alternative plans would not be sufficient and that there would, in any case, have to be ordinances adopted in order to increase the service area or extend the tax beyond the present service area.

Mr. Booth mentioned his concern that the service given in the outlying areas should bear a closer relation to the tax paid in those areas and asked the district counsel if the district could not adopt different rates of payroll tax in the different areas of the county to be served, to which the district's counsel replied that, in his opinion, wherever the district decided to levy its tax it would have to levy the tax uniformly.

Mr. Kohnen told the board that there is an increasing recognition of need for service in outlying areas, but in the absence

of support from local governments in the outlying areas, he would not favor extension throughout the entire county under Alternative No. 1. He stated that he feels that the surveys showing how many people will or will not ride the buses should not be given a great deal of weight and that if the district gives good service and promotes its service, ridership will increase. He expressed the view that if Alternative 4-C were adopted, it would give the district an opportunity to provide some extension of service and get some experience in the management of it before going further.

Mr. Randall addressed the board and agreed that it is necessary to provide good service and that the extension of service will work a hardship on the buses. He spoke of the need for more equipment and more maintenance and urged the adoption of Alternative No. 6, so that the necessary equipment could be obtained. He stressed the need for funds for better maintenance and the critical nature of the need to adopt Alternative No. 6 in order to obtain the better equipment so that the necessary maintenance could be provided.

Mrs. Shepherd asked whether there was a difference in the amount available for maintenance under Alternatives 4-C and 6, to which Mr. Dyer replied that there is some difference in the maintenance equipment.

The motion to adopt Alternative 6 was then brought to a vote and defeated. Those in favor being members Craig, Randall and Shepherd; those opposed members Booth, Herbert and Kohnen.

Mr. Craig then moved the adoption of Alternative 4-C which was seconded by Mr. Kohnen.

Mr. Booth spoke in favor of Alternative 4-B as he felt that Junction City should be excluded as well as Oakridge, Cottage Grove and Florence and he also felt that Creswell should be excluded.

Motion to adopt Alternative 4-C was brought to a vote and passed. Those in favor were members Craig, Herbert and Kohnen, Randall and Shepherd; those opposed Mr. Booth.

The president, Mr. Herbert, then directed the staff to prepare ordinances in accordance with Alternative 4-C with a tax rate of .0047 effective as of July 1, 1974.

At this time Mr. Randall left the meeting.

Mrs. Shepherd asked that the staff prepare details showing that there will be service in and around the local areas. Mr. Herbert asked if the plan would permit some service within the

local communities and Mr. Rynerson replied that it would. Mrs. Shepherd said that the local retailers in the outlying areas would be well served to have the buses bringing local people to their places of business. She told the staff that she did not need to have exact details of time schedules and routes, but would like for the staff to bring in some definite stand on service within the outlying communities in narrative form.

Mr. Kohnen pointed out that what would persuade people in the outlying communities to ride the bus might be different in different communities and warned that it might require several approaches and changes to find out just what mix of service is right for each locality.

The general manager informed the board that Lane County has finally definitely budgeted the sum of \$135,000 for use by the district and that this sum is intended for the acquisition of buses.

On motion by Mr. Booth, seconded by Mrs. Shepherd, the board then voted unanimously that the communities not included for service within the Alternative 4-C which was just adopted, be notified of that fact and of the reasons for adoption of Alternative 4-C by the board; that an indication be given to them that in the future service may be extended to other outlying areas and that the areas included for service under Alternative 4-C should also be notified of the fact of their inclusion and the reasons therefor.

FINANCE: At the request of the general manager and upon motion duly seconded, the board voted unanimously to authorize the general manager to borrow not to exceed \$200,000 from Citizens Bank, Eugene, Oregon, and authorized the signing by the officers of the district of the usual standard form of Citizens Bank's borrowing resolution, copy of which is filed herewith.

PERSONNEL: Mr. Dyer then announced to the board that Gary Hunt is leaving the district's staff after one and one-half years of service, in order to take a position with private industry. Mr. Dyer expressed regret that Mr. Hunt is leaving and also expressed his appreciation for the high quality of Mr. Hunt's service to the district throughout said period of one and one-half years.

ADJOURNMENT: On motion duly seconded, the board voted unanimously to adjourn the meeting until Tuesday, October 8, 1974, at 7:00 A.M. at the Eugene Hotel in Eugene, Oregon.

Secretary