

MINUTES OF DIRECTORS MEETING

LANE COUNTY MASS TRANSIT DISTRICT

October 8, 1974

The board of directors of Lane County Mass Transit District met at the Eugene Hotel in Eugene, Oregon, on October 8, 1974, at 7:00 a.m. pursuant to adjournment from its meetings of September 26 and September 17, 1974.

Present were:

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

Absent:

Gary Buell.

MINUTES: Reading of the minutes of the meetings of September 17 and 26, 1974, respectively, was dispensed with as copies of those minutes were distributed to all members of the board. On motion duly seconded, the board voted unanimously to approve the minutes of those meetings as distributed.

SERVICE AREA: Mr. Dyer presented to the board for its consideration Ordinance No. 8 entitled "An ordinance classifying and designating a service area, repealing ordinance No. 2, and declaring an emergency." He explained that this ordinance was prepared in order to carry out the decision made by the board at its meeting of September 26th to extend the service area in accordance with alternative 4-C, which would exclude from the service area Florence, Oakridge, Cottage Grove, Creswell, but would include Veneta, Elmira, Junction City, Coburg, and the Marcola-Wendling and McKenzie River areas.

On motion duly seconded, the board then voted to consider said Ordinance No. 8.

On motion duly seconded, the board voted unanimously to have Ordinance No. 8 read by title only. Thereupon, the district's

counsel, Mr. Bryson, read Ordinance No. 8 by title only.

Mrs. Shepherd expressed her feeling that the board should see that the outlying communities within the proposed new service area receive service within their communities and not merely between those communities and the Eugene-Springfield metropolitan area.

It was then moved and seconded that said Ordinance No. 8, classifying and designating a service area, repealing Ordinance No. 2 and declaring an emergency, be adopted. The matter was brought to a vote. Those in favor were members Craig, Herbert, Kohnen, Randall and Shepherd; those opposed member Booth. Mr. Herbert announced that the motion to adopt said ordinance was defeated as the existence of the emergency clause in that ordinance required a unanimous vote.

The general manager then presented to the board another draft of Ordinance No. 8 entitled "An ordinance classifying and designating a service area and repealing Ordinance No. 2". Mr. Dyer explained that this would accomplish the same expansion of the service area as the previous draft of Ordinance No. 8 just voted upon by the board and was identical to that ordinance except that it does not contain an emergency clause.

On motion duly seconded, the board then voted to consider said Ordinance No. 8.

On motion duly seconded, the board voted unanimously that said Ordinance No. 8 be read by title only. Mr. Bryson then read said Ordinance No. 8 by title only.

Mr. Booth spoke against the adoption of the ordinance as he did not believe that the people of Junction City wanted the service.

Mr. Randall stated that he was informed that the people who attended the public hearing held by the district in Junction City were in favor of extension of service. Mr. Kohnen responded that he had attended the meeting and, although he did not take a count, he did observe that there was more opposition than support for the extension of service to Junction City, at that hearing.

Mr. Craig voiced his belief that opposition generally was to the tax rather than to the extension of service itself.

Mrs. Shepherd counseled the board not to overlook service within the community and said that if the district gives good service, it may be able to overcome some of the opposition to the tax.

Mr. Herbert noted that the staff has not yet been able to work out details as to the routes, timing, frequency of service,

etc., but after some experience, the district will be able to monitor and review the staff's findings and make adjustments in the service. Mr. Herbert agreed with Mr. Kohnen's description of the Junction City hearing, but commented that there is more basis for the board's decision to extend service to Junction City than just the public hearing held by the district and other meetings held by Lane County. He particularly referred to the number of requests for service which the staff has received.

On motion duly seconded, the board then voted to approve said Ordinance No. 8 on first reading, Mr. Booth voting in opposition.

TAXATION:

The board then proceeded to discuss Ordinance No. 9. Mr. Dyer advised that he had for consideration by the board two different drafts of Ordinance No. 9, one with and one without the emergency clause, and that each of the drafts of Ordinance No. 9 would extend the payroll tax to the service area added by Ordinance No. 8 as well as to the existing service area.

After discussion, it was determined that the draft of Ordinance No. 9 with an emergency clause should not be considered. On motion of Mr. Craig duly seconded, the board then voted to consider Ordinance No. 9 without an emergency clause, said ordinance being entitled "An ordinance imposing an excise tax on employers, providing for administration enforcement and collection of the tax and repealing Ordinance No. 7."

On motion duly seconded, the board voted unanimously that said Ordinance No. 9 be read by title only.

Mr. Bryson then read Ordinance No. 9 by title only. The board then proceeded to consideration of said ordinance.

Mr. Booth stated his opposition to adoption of the ordinance because the tax is an unfair tax and also because the district would be taxing so far ahead of providing service to the outlying areas. He also expressed the belief that people in the outlying areas would be paying more than their fair share for the service they would receive.

Mr. Craig replied that eventually the urban areas will probably be contributing part of the cost of the service to the rural areas. Mr. Herbert said he thought it was fruitless to try to determine which parts of the county are subsidizing other parts.

Mr. Booth then expressed the opinion that making the tax retroactive to July 1, 1974, was a "rip off".

Mr. Herbert responded that the staff will have to obtain the necessary equipment and train people before starting service and

that if the board does not make the tax retroactive, it will simply have to use a higher rate of tax in order to raise the necessary funds. Mr. Kohnen agreed that it would be necessary either to make the tax retroactive or use a higher rate of tax in order to provide the necessary financing for extension of service. Mr. Craig reminded the board that the effective date of July 1st for inception of taxation in the areas of extended service was proposed at the time the recently adopted budget was being considered and adopted.

The approval of said Ordinance No. 9 on first reading was then moved, seconded, and approved by a vote of five to one, Mr. Booth being opposed.

Mr. Booth then proposed that representatives of the district should go to the Junction City area, talk to the people and explain why Ordinances No. 8 and 9 are being adopted and ask the people about the kind of service they desire. He volunteered to be one of the representatives to talk to the people in Junction City. Mrs. Shepherd approved Mr. Booth's suggestion and declared her willingness to participate.

Mr. Randall reminded the board that at its last meeting a letter was read from the Oakridge City Council which Mr. Randall found offensive because it implied that the board of directors had already made up their minds as to the extension of service prior to the meeting, which implication was incorrect.

Mr. Randall then asked Mr. Booth whether he would change his mind and go along with the emergency clause adoption of Ordinances 8 and 9. Mr. Booth asked what difference it would make to operation of the system. Mr. Dyer replied that it was mainly a matter of cash flow and getting the tax money in as soon as possible. A discussion then followed of the initiative and referendum and particularly the effect of the emergency clause on the referendum following which Mr. Booth declined to change his position on the use of the emergency clause.

FINANCE: Mrs. Shepherd observed that this district is facing financial problems in filling the need for services; that as much as \$2,000,000 is being spent on subsystems for transportation by charities and other agencies and that if the district is planning specialized services, then it should not overlook other sources of revenue.

Mr. Randall then left the meeting, due to a previous commitment.

Mrs. Shepherd stated that she believes substantial amounts are being spent in Lane County by social services for individual transportation trips and that the Red Cross, Cerebral Palsy and

other agencies are spending money for specialized transportation and the board should consider whether the district should not undertake all of the transportation and try to obtain the use of the funds now being spent for these various subsystems. She informed the board that Albany has a bus system established with the help of federal aid for the elderly dollars which contributes approximately 25 percent of the budget for that system.

Phyllis Loobey told the board that she believes that from her contact with the various agencies, that they would be receptive to the suggestion, but noted the difficulty of getting them all together.

Mr. Dyer expressed his view that the matter should be considered and explored further.

Mr. Herbert asked whether the potential revenue would be significant enough that the matter should be referred to the special revenue committee. Mrs. Shepherd said she did not think that this would bring about a major shift in revenue. Mr. Kohnen suggested that the matter should be discussed within the board of directors rather than by the revenue committee as the program would involve some additional cost as well as additional revenue.

CIVIL RIGHTS: Mr. Dyer distributed to the board members copies of a letter from UMTA concerning the district's civil rights practices and commenting that there is no minority representation on the board of directors. Mrs. Shepherd inquired whether this is a matter of compliance which might jeopardize the district's federal grant. Mr. Dyer answered that it would not jeopardize the federal grant.

On motion of Mrs. Shepherd, seconded by Mr. Craig, the board voted unanimously that the letter be forwarded to the governor.

ADJOURNMENT: Meeting adjourned.

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Secretary