

MINUTES OF DIRECTORS MEETING

LANE COUNTY MASS TRANSIT DISTRICT

May 18, 1976

A meeting of the board of directors and budget hearing of Lane County Mass Transit District was held at the City Hall in Eugene, Oregon.

Present:

Richard A. Booth, Treasurer  
Jack L. Craig  
W. Gene Davis, Secretary  
Daniel M. Herbert, President, presiding  
Annabel Kitzhaber  
Kenneth H. Kohmen, Vice President  
Glenn E. Randall  
Fred C. Dyer, General Manager  
Mavis Skipworth, Recording Secretary

MINUTES: Reading of the minutes of the board meeting of April 13, 1976 and the budget committee meeting of April 27, 1976 was dispensed with as copies had been distributed to all members of the board. Upon motion duly seconded, the board voted unanimously to approve the minutes of said meeting.

PUBLIC HEARING: Copies of the budget message and the proposed budget for the fiscal year beginning July 1, 1976, as approved by the budget committee on April 27, 1976, were distributed to all present.

Mr. Herbert stated the procedure for the public hearing, allowing five minutes per speaker. He advised that the staff would respond to questions, but that any involving detailed analysis or information would be deferred. He said the chair would recommend 1) deferring action on the budget until June 1, 1976, and 2) to allocate one half hour to the board to give direction to the staff to prepare information for the June 1 meeting. He advised that public questions may be presented in letter form by May 25 for response at that meeting.

The chairman then invited public comment.

William A. Koerner, of West Coast Truck Lines, read four items of concern: 1) that the board should consider that ridership revenue is low because of long, circular, inconvenient routes over large areas, 2) that timing of many runs takes too long, and there should be 15 minute frequency during peak hours; 3) that Mohawk and McKenzie Bridge buses are almost empty; and 4) that the clerk typists and secretarial salaries are above average for the area. He offered to obtain, for the district's use, a copy of salary schedules for office help as compiled by the Administrative Management Society of Eugene and Springfield.

Mary Clerin voiced the opinion that the clerk typist salaries should be lower and requested a job description for those positions. Mr. Dyer read the job descriptions for the Planning Department clerk typist and the administrative office clerk typist.

Johnny Miller, of Springfield Cab, expressed concern over competition between his business and the proposed Dial-A-Bus. He said he had surveyed his passengers and learned that 46% would be eligible to use Dial-A-Bus. Responding to a question by Mr. Booth, he said the average taxi fare for this group is \$1.50 to \$2.00.

Paul Bonney, representing Citizens Advisory Committee, expressed appreciation for the accomplishment and ridership growth of the district, and his awareness of the need for the bus system. He commented that the trend is toward mass transit needs and away from large parking structures which could be white elephants in 5 to 10 years. He believed the budget was conservative and reasonable and urged its adoption. He commended the district for efficiency, and doing a good job with limited resources. He stressed the importance of an employer maintaining an adequate salary level to retain a well trained staff.

Clark Cox, speaking for Citizens Advisory Committee and himself, noted that the proposed salary level for administrative employees was necessary for parity with those established by collective bargaining. He expressed a strong need for mass transit and believed the taxi and Dial-A-Bus problems could be resolved. He noted that all forms of public transportation require subsidy.

Bill Leonard, associated with Eugene/Springfield Mobile Chair Service, spoke in opposition to the proposed Dial-A-Bus. He said he had asked the district to contract with existing private companies to provide the service but was told that the district's counsel had advised that the district could not contract with private companies. He said he had had 18 years experience in working with people with limited mobility and would like to make his service available to the district and help find a solution to alleviate the tax burden on the local businessmen.

Edward Rubey, certified public accountant, said that the chambers of commerce of Eugene and Springfield recognize the need for a transit service in the true urban area of Lane County. He said it had been alleged that there was a misleading statement in a recent letter to chamber members concerning a Control Room clerk's salary, reported as increasing 91.8%. He rejected responsibility, saying the amounts were printed in the budget and the presentation lacked the explanation that a part-year job became a full-year position. He reported mailing to each board member, Mr. Dyer, and Governor Robert Straub, a summary of his concerns about the 1976-77 approved budget. A copy is included in these minutes. He said that the development of urban commuter service is the only hope of reversing mounting losses of the past four fiscal years and recommended the following steps as alternatives to the proposed program: 1) stop service on any route that fails to produce 30% of its operating cost in paying fares, 2) stop service on the obvious losers of the upper Mohawk and McKenzie valley routes, 3) seek an attorney general's opinion on the propriety of economizing by using existing private carrier service; while awaiting such an opinion, delay Dial-A-Bus service at least until October 1, 1976, 4) modify the 1976-77 salary schedule to comply with actual salary and wage rates now in effect in Lane County. He said it was preposterous to have \$9700 as the low wage rate of personnel. He said for three years he has requested boarding count for each route and asked the board to insist upon receiving management information and assistance from the staff.

Merle Saunders, speaking for himself and as secretary of the Oregon Dry Cleaners Association, endorsed Mr. Rubey's remarks and voiced his concern over the increase in his payroll tax. He then asked for an explanation of the overtime category in the budget and Mr. Dyer explained that there is an approximate 7% built in factor to cover illness and unexpected absenteeism, as well as those runs

that cannot be completed in the guaranteed eight hours.

Harold Olson voiced his opposition to the Dial-A-Bus as a duplication of services, believing it would constitute starting another bus line where one already existed. He asked at what time in the future the board projected the district to be self-supporting and of any consideration to broaden the tax base. Mr. Herbert responded with a brief review of the activities of the 1974 Special Advisory Committee on Revenue Sources and its recommendation to consider implementation of an income tax as the most equitable form of taxation. He further expressed the opinion that public transit cannot expect to be supported entirely by farebox revenue. Mr. Olson asked for a comparison of the cost per ride between Dial-A-Bus, Eugene Mobile Chair Service, and taxicab service. Mr. Herbert deferred the answer to a subsequent meeting.

John Silvermoon, Friendly Neighborhood Association, said that his neighborhood group endorsed 30% transit but the new schedule revision of routes will eliminate the Cascade Manor run and leave the entire neighborhood with poor service. He believed the district should give greater consideration to those neighborhoods more willing to use the transit extensively. He said he will resign from the Citizens Advisory Committee because the board has not given substantive attention to suggestions from the committee and the planning staff has been lax in including citizen involvement in planning routes and the five year plan. He said that the industrial area in west Eugene is heavily taxed but does not have service for the employees in that area. He suggested that the Dial-A-Bus service should start at the end of routes and be used as a shuttle service to the fixed routes. He expressed approval of the non-urban routes as useful to people like himself who have no cars and believed it is too early to consider eliminating the McKenzie Bridge route as more people will learn to take advantage of the service.

J. J. Pentek said that he recently moved from Southern Oregon and commended the members of the audience for their involvement and for expressing their opinions. He felt citizen involvement could accomplish improvement and remedy problems. He also expressed interest in cost of the transit district and when it would be self-supporting.

Huibert Paul spoke in favor of the approved budget and observed that it represented an increase of just over 7% from the previous year. He believed the salaries were not excessive and the adverse publicity on the budget had been misleading. He spoke in favor of an income tax and stressed the importance of having a bus system. He said it is of benefit to all in alleviating traffic and pollution.

Dodd Fischer, an officer of Far West Steel Company, asked to go on record as an employee objecting to the increasing financial burden being imposed on his employer, and opposed the proposed salary levels. He suggested that the district look to the passengers for a greater contribution. He said the higher the employers' tax burden, the less people they can afford to employ. He encouraged the district to adopt a broader tax base and seek approval of residents through voting on the level of service they desire.

Bob Jones expressed agreement with Mr. Rubey and said that less expensive and smaller vehicles should be used on the McKenzie River and Mohawk routes.

He said the cost of the bus shelters was excessive and Mr. Dyer advised that the cost is determined through competitive bidding. Mr. Dyer said that the cost of the large buses amortized over their lifetime was comparable to the smaller vehicles.

Rich Peterson of United Auto Electric believed the proposed salaries were too high. Responding to a question by Mr. Peterson, Mr. Dyer clarified the Control Room Clerk position salary requirements. Mr. Peterson pointed out low ridership on the McKenzie Bridge route, and said that Dial-A-Bus would compete with existing services.

Ron Kirtland, president of the Emerald Empire Convention Services for Eugene and Springfield, expressed concern of the proposed overtime figure and said that Dial-A-Bus was an encroachment on free enterprise. He referred to the amount of payroll tax paid by hotels and restaurants and of the small useage of the buses by their employees. He said the ridership was low in Lowell because most people in the country go into town only occasionally or on weekends to buy provisions. He said that the young people of Lowell would prefer to use the bus on Sunday, when there is no service.

Jack Loe supported Mr. Rubey and asked the district to take his comments under consideration. Mr. Dallas responded to a question on Property Improvements category in the budget and explained that federally funded projects were being carried over. Mr. Loe said it appeared that drivers' salaries were being increased by only 1.4% and Ms. Loobey explained that the current budget projected 138 drivers but as Dial-A-Bus implementation was delayed, the full complement was not hired. Mr. Dallas advised that the drivers would receive an increase of about 7%. In response to a question by Mr. Loe, Ms. Loobey said the payroll tax will not be increased but, as of January 1, 1976, banks and financial institutions came under the law and the projected revenue also includes a natural increase from higher wages. Mr. Loe then expressed opposition to the Dial-A-Bus service and the non-urban routes.

George Boehnke, Boehnke Printing Company, said that tax supported organizations and private utilities are not allowed to promote their services through advertising and he questioned the legality of the advertising category of the proposed budget. He believed the printing cost was too high and that less elaborate schedules should be prepared. He commented that twenty-five years ago the district had an ideal bus system when there was no school bus system, and believed there should again be just one system. He further suggested that shelters could be built by volunteers and as community projects. He believed rural area services should be continued but through a park n' ride station at Autzen Stadium with "crummies".

There being no further public comments, the chairman closed the public hearing portion of the meeting. He then called for a five minute recess.

BOARD DELIBERATION: The meeting return to order. Mr. Herbert recommended the following procedure to the board: 1) that the board defer action on the budget until an adjourned board meeting on June 1 in order to allow time to consider testimony from this hearing, and 2) that the board allocate one half hour now to give direction to staff on preparing information for consideration at that meeting. Mr. Craig moved that the board approve the recommendation of the chairman. The motion was duly seconded and carried with favorable vote by Craig, Herbert, Kitzhaber, Kohnen, and Randall; opposing, Booth and Davis. Mr. Booth said he believed one half hour would not be long enough and the board should take whatever time was necessary. The chairman advised that at the June 1 meeting the full board should analyze the reorganization of the administrative functions on which the budget is based. He then said the board should respond to Mr. Rubey's comments and the issues listed in the flyer distributed by the Eugene-Springfield Area Chambers of Commerce, to correct the inaccuracies and misinterpretation; to address ridership and fare projections for the next fiscal year, and to evaluate the non-urban routes. He

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asked that the staff prepare an analysis in response to the six items listed on the flyer as well as the salary schedule on the reverse side of the flyer.

Mr. Craig referred to Mr. Rubey's assertion of a three million dollar operating loss, and compared the revenue sources authorized by the legislature to a four-legged stool: farebox, state government, federal government and the employer payroll tax. He said the district is a public supported business and the statement on financial support should be prepared in that light.

Mrs. Kitzhaber asked about the job descriptions of the new positions, which were distributed to the board at a prior meeting, and Mr. Herbert said they would be included for the next meeting. Mrs. Kitzhaber then asked that information on the cost and reasons for Dial-A-Bus be prepared, as well as the cost comparisons with private carriers.

Mr. Randall asked that the staff prepare a brief history of the discussion, both pro and con, of establishing Dial-A-Bus service.

Mr. Kohnen believed that good comments and legitimate concerns had been expressed, and that most questions could be answered. He suggested that the staff go through the testimony and identify the concerns, and prepare answers for the next meeting.

Mr. Booth said he believed the concerns listed by Mr. Rubey summed up the majority of the testimony. He reiterated the points 1) that unless 30% farebox revenues are reached or established farebox revenue goals are met for each route, the service on the route should be discontinued, 2) elimination of non-urban service should be considered, 3) that Dial-A-Bus service should be reconsidered, 4) that the salary schedule be modified to be realistic to the community, as the district could find employees willing to work for the salaries of business, and 5) that the board insist on accurate performance data for each route. He expressed understanding of the need for overtime and believed the figure proposed was in line with other mass transit systems.

Mr. Davis said he felt the district had progressed to a point of being cancerous and requiring major surgery. He further said the district was commissioned in 1970 to serve the metropolitan area and had done a good job, but lost sight of this when serving the rural area. He believed the March 1974 non-urban service had cut back the urban service, and the year's operation has proven the rural service is not being used and it should be dropped. He said the Dial-A-Bus system should be scrapped as it was a duplicating service, and questioned the legality of qualifying only certain people. He then expressed concern for other excesses and suggested the board request the resignation of the general manager for practicing popularity games with the salaries of the employees. He felt there was a possibility of looking to the manager's resignation when he hired a board member for the number two position on staff. The chairman advised Mr. Davis that it would be in order to address the subject later in the meeting or at the June 1 meeting.

Mr. Herbert directed the staff to prepare information on the public comments and concerns for the June 1 meeting.

Mr. Booth said the board should ask the staff to consider a lower salary schedule. Mr. Craig suggested that this could be illegal and inappropriate as the district held budget hearings and the budget committee approved the budget.

Mr. Herbert said the board would consult budget law to learn if the budget could be revised without convening the budget committee.

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Mr. Booth moved to ask the staff to prepare a lower salary schedule and Mr. Davis seconded the motion. Mr. Kohnen said the board should address the salary schedule at the June meeting and not ask the staff to prepare information. The question was put and failed, with Booth and Davis voting favorably: Craig, Herbert, Kitzhaber, Kohnen and Randall opposed.

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CITIZENS ADVISORY COMMITTEE: Mr. Bonney reported on the Citizens Advisory Committee meeting of May 10. He invited the public to attend the committee meetings and asked that this be included as an announcement at the June 1 meeting.

SCHOOLS/TRANSIT ADVISORY COMMITTEE: Mr. Dyer reported on the concluding meeting of the Schools/Transit Advisory Committee on May 5, 1976, and advised that Ruth Shepherd, chairperson, will prepare a report for the boards of directors.

OPERATIONS: Monthly ridership material was presented for board information. Mr. Herbert said he has recommendations to be forwarded to the staff on the Employee Work Record reporting for board information.

CITY OF SPRINGFIELD: A Memorandum of Understanding expressing the desirability of the district contracting with the City of Springfield for installation of bus stop signs and painting of yellow curbs was distributed to board members as drafted by the district's counsel. The board was advised that this working agreement had been endorsed by the Springfield City Council. Mr. Randall moved and Mr. Booth seconded the motion that the board approve adoption of the Memorandum of Understanding with the City of Springfield. The motion carried unanimously.

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PLANNING: Mr. Rynerson presented an update of route revisions under study to become effective September 1976. He advised that the reviewing groups have considered the report at least once, and the Drivers' Committee and the Citizens Advisory Committee will again review the list to consider input from the round of review. He said action will be requested at the next regular board meeting.

Mr. Rynerson referred to Mr. Koerner's request for 15 minute frequency during peak hours and said this could not be included in the no growth budget. Mr. Herbert asked the staff to review the comments by Mr. Silvermoon regarding service to Cascade Manor and the industrial area and to submit an analysis at the June 15 regular meeting.

Mr. Booth questioned the proposed extension of the Junction City route, and Mr. Rynerson explained that he had received citizen input from Junction City senior citizens groups, from a developer of a new senior citizen complex and the Citizens Advisory Committee, and that the extension within the city area does not add time to the schedule.

INFORMATION SERVICES: Rosemary Boss reported on attendance at the APTA Western Regional Conference and of sharing the First Step program. She said a marketing plan for 1976-77 would be developed before the end of June, and that an educational program is being planned for fourth graders through the county.

An Information Call Log was distributed and it was the consensus that a condensed one-page report should be furnished only occasionally to the board.

MOTION UMTA AMENDMENT NO. 2: Following discussion on an amendment resolution for  
VOTE UMTA Project No. OR-03-0007, the following resolution on a motion by Mr. Kohnen,  
and seconded by Mrs. Kitzhaber, was adopted by favorable vote of Craig, Herbert,  
Kitzhaber, Kohnen and Randall, and opposed by Booth and Davis:

RESOLVED that Lane County Mass Transit District, a municipal corporation of the State of Oregon, enter into a contract with the United States of America, Department of Transportation, Urban Mass Transportation Administration, to provide for the undertaking of an urban mass transportation capital improvement project by this District with financial assistance from the United States of America in the form of an amendment to a capital grant, all as set forth in written grant contract designated "Urban Mass Transportation Amendatory Agreement", Project No. OR-03-0007, Amendment No. 2, said project consisting of acquisition of 20 new 40-45 passenger buses, purchase of 31 two-way radios and base station equipment purchase of administrative equipment, shop improvements and the purchase and installation of equipment, purchase of 6 new 20-25' buses specially equipped for elderly and handicapped service and contingencies; that Daniel M. Herbert, President of this District is authorized to sign said contract in the name of the District, and W. Gene Davis, Secretary of this District, is authorized to affix the Corporate Seal of this District thereto and attest the same, and that the appropriate officers of this District are authorized to take such further action as may be necessary or desirable to effectuate the intent of this Resolution."

Mr. Davis stated that he opposed the resolution because it included the specially equipped vehicles.

MOTION BID ANALYSIS FOR DIAL-A-BUS EQUIPMENT: The board received copies of a bid  
VOTE evaluation from the staff for six vehicles, based on compliance, product comparison, the district budget, and staff recommendation. The low bid from Dorsey Company was believed to be substantially non-compliant with specifications and the vehicles offered by Schetky Northwest Sales, Inc. appeared to have better long range utility. Mr. Dallas said the proposals by both bidders exceeded the estimated cost of the equipment and the apparent compliant bidder had been asked to submit information to reduce the price of acceptable equipment. The staff recommended that the bid of Schetky Northwest Sales, Inc. for six vehicles at \$19,007 each be approved. It was moved, duly seconded and carried unanimously, that action be delayed until the June 1 meeting to give staff adequate time to answer questions concerning Dial-A-Bus vehicles. Mr. Booth expressed the opinion that, as the high bidder was given an opportunity to lower the price, the low bidder should be given an opportunity to state why they think they are compliant or be given an opportunity to add things not now compliant. Mr. Herbert suggested the board forward their concerns to Mr. Dallas so he can prepare a response.

FINANCE AND BUDGET: Inaccuracies in the cash flow were noted and the staff was requested to prepare a corrected copy for distribution to the board.

Mr. Booth expressed concern of possible budget padding because of delayed implementation of projects included in the budget, and that it could give the staff latitude to spend more money. He said that the business and office expense items appeared to be overspent and Mr. Kohnen requested the board to recommend that the staff make budget transfers from other line items to avoid over-expenditures at the end of the year. The staff was so directed.

Mr. Davis questioned expenditures for staff meetings in restaurants. Mr. Dyer responded that breakfast meetings have been held on shared company/employee time because of inadequate facility space, but that the reorganization will make recurring meetings unnecessary and that when the remodeling of facilities is completed, there will be space available for necessary meetings.

INCOME TAX: The board was advised that the redraft of the income tax ordinance is presently undergoing review by the Department of Revenue and will be discussed at the June 15 meeting.

ORDINANCE NO. 1: Copies of Ordinance No. 1 were distributed to members and Mr. Herbert presented recommended revisions to be more compliant with the statutes. He said Mr. Bryson will review the recommendations, and upon completion, the board will have the first reading.

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SECTION 5 OPERATING ASSISTANCE GRANT: Upon motion by Mr. Kohnen and duly seconded the board voted unanimously to approve the following resolution:

RESOLVED that Lane County Mass Transit District, a municipal corporation of the State of Oregon, enter into a contract with the United States of America, Department of Transportation, Urban Mass Transportation Administration, to provide for the undertaking of an urban mass transportation operating assistance project by this District with financial assistance from the United States of America in the form of a Section 5 Operating Assistance grant, all as set forth in written grant contract designated "Urban Mass Transportation Operating Assistance Grant Contract", Project No. OR-05-4004; that Daniel M. Herbert, President of this District, is authorized to sign said contract in the name of the District, and Kenneth H. Kohnen, Vice President of this District, and W. Gene Davis, Secretary of this District, are authorized to affix the corporate seal of this District thereto and attest the same, and that the appropriate officers of this District are authorized to take such further action as may be necessary or desirable to effectuate the intent of this Resolution.

NEW BUSINESS: Mr. Herbert advised that the legislature will meet in January and the board should consider issues to be brought before it. Mr. Herbert further said he will submit recommendations for changes in the Open Meeting Law and concerning elective positions for the board of directors.

The staff advised that they will meet with the Oregon Department of Transportation on May 25 to receive an official presentation to the district of the \$275,000 for local share in acquisition of 26 new vehicles. They requested the district to bring a 1947 bus for the ceremony. The bus will leave at 6:45 a.m., Tuesday, May 25 and board members were invited to attend.

Mr. Randall expressed great concern over any discussion being held by the board or any of its members concerning reprimands, discussion of or calls for resignations, or such, concerning staff and manager; that it should be held in executive session or in a private manner, and should not deliberately and publicly embarrass any person. Discussion followed on the purpose of executive session. Mr. Herbert expressed the opinion that if any board member wished to discuss such matters in an executive session, it should appear on the agenda. The chairman said he will request an opinion from the legal counsel on interpretation of public law for executive session.

ADJOURNMENT: The meeting was adjourned to June 1, 1976, at 7:30 P.M. in the Eugene City Hall.