

MINUTES OF DIRECTORS MEETING  
LANE COUNTY MASS TRANSIT DISTRICT

ADJOURNED MEETING

August 24, 1976

Pursuant to public notice to the Register Guard and Newsservice 16 of the adjournment of the regular board meeting from August 17, 1976 to August 24th and distributed to persons on the mailing list of the District and the members of the Board of Directors, an adjourned meeting of the Lane Transit District was held at the Eugene City Hall on August 24, 1976 at 7:30 p.m.

Present:

Richard A. Booth, Treasurer  
Jack J. Craig  
W. Gene Davis, Secretary  
Daniel M. Herbert, President, presiding  
Kenneth H. Kohnen, Vice President  
Fred C. Dyer, General Manager  
Phyllis Loobey, Recording Secretary

News media representatives:

Marvin Tims, Register Guard  
Rick Grimshaw, Newsservice 16

Absent:

Annabel Kitzhaber  
Glenn E. Randall

MOTION VOTE MINUTES: Reading of the minutes of the board meeting of July 20, 1976, was dispensed with as copies had been distributed to all members of the board. Upon motion duly seconded, the minutes were unanimously approved as distributed. Mr. Booth referred to the report that a redrafted ordinance had been submitted to the Department of Revenue and said it was his understanding that the board would not further pursue implementation of an income tax because of the high cost of collection. The chairman advised that it was the consensus of the board to simplify the ordinance to lower the costs of collection.

AUDIENCE PARTICIPATION: The chairman opened the meeting to audience participation and there was no response.

SALARIED EMPLOYEES' RETIREMENT PLAN: Mr. Herbert gave an overview of the Salaried Employees' Retirement Plan from the conception stage to the present plan as distributed to the board members. He advised that the trustees of the contract employees' retirement plan were Dan Herbert, Fred C. Dyer, Del Hadley, and the current union steward, and that Dan Herbert, Fred C. Dyer, and Kenneth Kohnen are trustees of the salaried employees' retirement plan. He explained that the trustees of the salaried employees' plan had explored four alternatives and had selected a composite of the best features of each for a plan that would serve as an inducement to keep well-trained employees. He said it was a compromise between the Tri-Met and Denver Metro plans.

The chairman then introduced Paul Hart of the actuarial firm of Milliman and Robertson, Portland, who gave a detailed analysis of the plan and explained its structure to meet various criteria. He said the plan is comparable to the plan

adopted for the hourly employees and is designed to accommodate social security benefits in retirement dollars. He noted that the retirement portion would be taxable, whereas, social security benefits are tax-free, and that the calculation of the benefit would be 76% of the salary at retirement. Responding to a question by Mr. Booth of the effective date, Mr. Hart advised that the board had previously given approval to design a plan to become effective July 1, 1974, and that funds had been accumulating in a trust fund. He explained his role as a consultant, and advised that the First National Bank serves as trustee of the funds. Mr. Booth asked if, in the event that an employee terminated, his vested interest could be transferred to another retirement fund and Mr. Hart said the plan carried such a provision.

Mr. Davis commented that some other programs are in financial difficulties because of poor investments and asked if, by approving the plan, the district would be committed to pay the benefits. Mr. Hart replied that as the investments would be spread over the years of accumulation, the earnings would average a healthy increase, and that Columbia Management Company, the investment firm, would shift the investments around to best advantage. Responding to a question by Mr. Kohnen of disposition of the funds if the district ceased to exist, Mr. Hart said that if the district were absorbed by another agency, the benefits would be transferred, but if it went out of existence, the assets would be distributed to the employees in accordance with their vested credits.

MOTION Mr. Craig moved that the board approve the salaried employees' retirement  
VOTE plan as submitted. Mr. Davis seconded the motion and it passed unanimously.

CITIZENS ADVISORY COMMITTEE: The Citizens Advisory Committee did not hold an August meeting and there was no report.

MOTION EXTERNAL ACTIVITIES: The board was advised that the district is eligible  
VOTE to receive funds under the Local Public Works Employment Act of 1976 and could submit a grant proposal to the Economic Development Administration for funds to proceed with the Briscoe & Berry site plan. Mr. Booth expressed concern that remodeling of the facility would increase operation costs but Mr. Dyer explained that the remodel would effect more efficient operations. Mr. Booth moved that the board instruct the staff to prepare a grant application for implementation of the Briscoe & Berry site plan. Mr. Davis seconded the motion and it passed unanimously.

OPERATIONS: Ridership data for the month of July was presented. Approval was expressed for including both the 1975-76 and the 1976-77 ridership tables for comparison purposes. The board was advised that the Zone Fare Table would be revised to clarify ridership figures.

PLANNING: The staff advised that bus stop signs, shelter foundation slabs, and temporary benches have been installed at the Springfield Transfer Point. Mr. Davis asked about the installation date of shelters, and the staff responded that it would be a future activity as the new buses, lifts, maintenance equipment, and other items have been of higher priority.

EQUIPMENT ASSIGNMENT: A table listing equipment assignment was distributed for board information. Mr. Dyer advised that the Flexible buses would be delivered by the middle of the month and that probably five of the No. 200 buses would be retained as spare vehicles.

MARKETING: A description of current activities was distributed to board members.

FINANCE AND BUDGET: Mike Merrell, Accountant, explained a new format of financial reporting for fiscal year 1976-77. An error was noted in General Fund Resources, Year to Date of Passenger Revenues, and was corrected from \$85,166.90 to \$55,166.90. Mr. Dyer commented that the cash flow looked healthy and the district was moving into the increased fare revenue months.

INSURANCE: The board received a table from Fred S. James & Company indicating the premium at various levels of loss under coverage from Transit Casualty. Mr. Dyer explained that the cost of the new insurance would be less than with the previous carriers if the district maintains a low loss ratio. He stated that the key to insurability was safety record of drivers, diligence of the mechanics and the Safety and Training Program.

EVALUATION METHODS COMMITTEE: Mr. Kohnen gave a brief report of the first meeting of the board subcommittee, stating that there was discussion as to matters the committee should study, and that the first quarterly report would be presented to the board in November. He said the committee charge is to provide certain means for the board to evaluate operations of the district and to make recommendations for action to the board. He advised that the next meeting is scheduled for September 2. Mr. Dyer advised that an exploratory format was presented at the meeting and that staff would be providing additional data at the next meeting.

AMENDED ORDINANCE NO. 1: Copies of an Amended Ordinance No. 1 were distributed and Mr. Booth moved that it be read by title only. Mr. Kohnen seconded the motion and it carried unanimously.

Mr. Kohnen moved that the board approve the Amended Ordinance No. 1 as distributed. Mr. Herbert seconded the motion and it carried unanimously.

NEW BUSINESS: Mr. Dyer reported on the Transportation Research Board conference held the week of August 16 on the State Role in Transit Management, and explained that the purpose was a critique of state role in transit planning in medium and small cities of under 200,000 population. He said Congress has made available \$2 million for distribution across fifty states in developing programs for small and medium properties in operating assistance, management assistance, information exchange, and training and management development. He said that conference participants were representatives of Urban Mass Transportation Administration, Transportation Research Board and transit operators, and they recommended that the funds made available be distributed on a 75% formula grant and a 25% discretionary allocation. He explained the purpose of the program is to decentralize UMTA's activities by working through the states and expressed his approval of the program.

PROPOSED FARE STRUCTURE: Mr. Dyer explained a proposed revised fare structure intended to simplify fare accounting and control procedures, and said that the fare structure does not represent an increase. The revision included a quantity vendor schedule on fastpasses as follows: Retail price \$12.00, quantities of 1-5 \$12.00, quantities of 6-100 \$11.50, and quantities of 101+ \$11.00; eliminating the Limited Student Pass, retail price of the

Unlimited Student Pass at \$8.00, and Child Pass at \$6.00. Mr. Davis  
MOTION expressed interest in consideration of increased fare. Mr. Kohnen moved  
that the board approve adoption of the revised fare structure as presented.  
VOTE Mr. Craig seconded the motion and it carried with favorable vote by Booth,  
Craig, Herbert, and Kohnen, with Davis dissenting.

RADIO BID: Mr. Booth asked for the current status of the radio bid,  
and Mr. Dyer said that UMTA had advised the district that the objections  
forwarded by the district were not of consequence. He said that the district  
had written that the objections are substantiated and is awaiting a reply.

Meeting adjourned.

  
Secretary