

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, October 20, 2004

Pursuant to notice given to *The Register-Guard* for publication on October 14, 2004, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, October 20, 2004, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Gerry Gaydos, President, presiding
Susan Ban, Vice President
David Gant, Secretary
Dave Kleger, Treasurer
Virginia Lauritsen
Hillary Wylie
Pat Hocken
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER – Mr. Gaydos called the meeting to order.

ROLL CALL - General Manager Ken Hamm called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – There were no remarks by the Board President.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA – Mr. Hamm introduced Lloyd Chapman, Board Chair of the Salem Area Mass Transit District, who was visiting several transit systems.

BOARD CALENDARS – There were no changes or additions to the calendars.

WORK SESSION

A. Regional Transportation Plan Update – Senior Strategic Planner Lisa Gardner and Tom Schwetz, Lane Council of Governments (LCOG) transportation program manager, reviewed the process and schedule for updating the Regional Transportation Plan (RTP).

Ms. Gardner explained that TransPlan included both the RTP and the Transportation System Plan (TSP) for the region. She said the RTP was a federal plan and the TSP was a local plan for transportation system improvements required by the State. She said the RTP would lapse on December 12, 2004, and the region was undertaking a minor update as defined by federal requirements: update of the financially constrained project list, correct outdated or inaccurate items, and separate the RTP from the TSP so that the TransPlan could continue to serve as the

region's local plan. She said that if the update was not done by December 12, the federal plan would lapse with potential impact on the flow of federal funding into the region.

Ms. Gardner said that a preliminary draft of the RTP update had been released for public comment on October 14, 2004, by the Metropolitan Policy Committee (MPC), which would take action to adopt the update on December 12, 2004, following an aggressive public outreach campaign.

Ms. Gardner reviewed changes related to transit and bus rapid transit (BRT) in the plan, which included an updated project list and updated language for BRT-planned implementation. She said the previous version of the plan showed 61 miles of exclusive BRT right-of-way; the update was modeled to show 25 miles of exclusive right-of-way and the incremental development scenario for BRT implementation. She asked for direction from the Board on whether staff should be discussing BRT incremental development with other agencies and whether the Board should be talking to other policy-makers.

Director of Development Services Stefano Viggiano reminded the Board of the four levels of incremental BRT development, with the fourth level being a full BRT with exclusive right-of-way. He said the RTP update assumed that the corridors that would not have the full level of BRT development would be at development level three, which included all BRT elements except the exclusive right-of-way.

Ms. Gardner said that changes in Eugene's and Springfield's approaches to nodal development also were factors, with both cities taking a more careful approach to implementing nodal development based on more realistic assumptions, and there was a parallel between nodal development and BRT.

Ms. Ban commented that a more extensive update of the plan would commence in January 2005 and asked if that update would have to conform to State requirements. Mr. Schwetz replied that the minor update also included expansion of the plan boundaries to include Coburg and other rural areas, which affected modeling and performance measures, as well as extending the planning horizon to 2025. He said that questions were being raised about whether some aspects of the update constituted a land use action under State statutes. He said that those issues likely would arise during the next update and would have to be addressed by the local jurisdictions.

Ms. Hocken said the Board should consider what direction it might wish to give to its representatives on the MPC when adoption of the RTP update was considered. Mr. Schwetz said that the proposed changes were not significant and were unlikely to generate a great deal of public interest.

Mr. Viggiano said the new aspect of the update that could be of interest was the concept of BRT incremental development, which differed from assumptions in the original TransPlan. He said it was a direction that had not been extensively discussed with LTD's partners yet and the Board might wish to give some direction on that issue.

Ms. Gardner and Mr. Schwetz pointed out that incremental BRT development was not inconsistent with model assumptions or the cities' position on delayed nodal development.

Mr. Kleger observed that the update appeared to be a reformatting of what already existed to fit federal standards. Mr. Schwetz noted that in the process of updating the financial constraint picture, both the cost and revenue sides, the Oregon Department of Transportation (ODOT) decided to change accounting procedures and how project costs were determined. Ms. Gardner said that figures also had changed because of inflation and assumptions about the number of BRT corridors, and that could generate questions.

Ms. Hocken asked if changes to BRT assumptions and less aggressive nodal development would impact the ability to meet adopted TransPlan performance measures. Mr. Schwetz said that could be a concern and would be addressed during the next plan update. He said the first performance measure tracking year was 2005 and Metropolitan Planning Organizations (MPOs) across the state were requesting more time to accomplish their goals.

Mr. Kleger asked when the time would be appropriate to push for formal recognition in the Transportation Planning Rule of the effect of the economy on the flow of funds and ability of governments to accomplish implementation. Mr. Schwetz said that was part of the current conversation, but there were no proposals for a formal change to the rule, although the Land Conservation and Development Commission (LCDC) appeared to recognize the problems with local funding and that there could be a role for the commission in seeking resources to assist local jurisdictions.

Mr. Gaydos expressed concern about the issue of performance measures and that once the minor update was completed, it was the Board's responsibility to have discussions with local jurisdictions about BRT assumptions. Mr. Viggiano suggested that the Board initiate those conversations soon and not wait until 2005.

Ms. Gardner suggested that work sessions to examine possible policy revisions could be held in the spring in advance of the next plan update. Mr. Gaydos concurred.

Ms. Hocken asked if the MPC had been informed about the difference in BRT modeling. Ms. Gardner said that no substantive discussion had yet occurred, but the issue would be discussed during the public workshops on the plan update. She said the MPC had established a Citizen Involvement Committee (CIC) and was recruiting members. She asked Board members to forward any nominations or interest inquiries to her or directly to LCOG's office.

Mr. Gant pointed out the substantial increase in estimated cost for BRT corridors, which went from \$95 million to \$179 million, and asked when the first cost estimate was developed. Ms. Gardner said the first estimate was based on 1997 dollars. Mr. Viggiano said the assumptions used for the higher figure were that the construction cost for the full corridor was \$5 million per mile based on experience with the Franklin Corridor and estimates for the Pioneer Parkway Corridor.

Mr. Gant said it was essential to explain the increase clearly.

B. Reduced Fare and Not-for-Profit Agency Programs – Service Planning and Marketing Manager Andy Vobora reviewed the history of fare program changes. He told the Board that not-for-profit agencies had met with LTD staff to discuss the not-for-profit discount fare program, how it was designed, and how needs were met and had grown over time. He stated that the discussions were helpful to LTD staff in terms of understanding how agencies worked together to

meet the needs of clients who often were served by multiple programs and agencies. Mr. Vobora further stated that the agencies were aware that the fare program represented a limited resource and were supportive of changes to protect it from abusive practices. He said that staff were recommending a small reduction in the amount of fare instruments agencies could purchase each month. He explained that the program would be monitored and people would be recertified into the program and educated about the process. He observed that even if the discount and reduced fare programs were eliminated, that would not translate into more money in fareboxes because many people could not pay fares. He said that the programs met a critical need in the community and should be retained.

Ms. Hocken asked if the figure of \$300 per month was per agency or per program within the agency, as it was not clear as written. Mr. Vobora replied that the figure would apply to each program within an agency.

Accessible Services Manager Terry Parker acknowledged that there was some confusion between the Reduced Fare program, which was federally mandated, and the Supplemental Security Income (SSI) program created by LTD to address the needs of people with hidden disabilities. She said that since passage of the Americans with Disabilities Act (ADA), the definitions of disability became more confusing. She indicated that the goal was to clarify and streamline the programs and deal with questions of equity. She highlighted the changes:

- Combined the programs into one
- "Neutralized" the identity of the program by renaming it EZ Access
- Reworked the disability list and updated it to list accommodations needed to use the system, including physical, mental, or emotional barriers to access (focusing on what it is that people need rather than on their specific disability)
- Preserved confidentiality by having LTD staff, rather than "certifying agencies" or medical professionals, review applications and conduct in-person interviews
- Specified standards of disability used by the Veterans Administration for veterans and receipt of a veteran's pension
- Leveraged eligibility determinations for services based on disability that already were being made by local agencies and government programs

Ms. Lauritsen said that qualifying for a veteran's pension was difficult and asked how those who did not qualify, but needed accommodation, would be assisted. Ms. Parker said that eligibility also could be determined through the definitions used by other agencies in the community. Those who did not have a connection with any agency could complete the application.

Mr. Gant cautioned that the policy changes should be reviewed by legal counsel for compliance with the Health Insurance Portability and Accountability Act (HIPAA).

Mr. Kleger asked if the in-person reviews of eligibility would affect operational costs. Ms. Parker said that interviews would be done only for those applicants with no proof of disability. She said there had been some discussion of adding the interviews to the Transit Host program and while there were costs to conduct in-person interviews, they were outweighed by the benefits in terms of the quality of decision-making.

Ms. Hocken asked if persons aged 62 and older would be required to have an identification card. Ms. Parker said that they were not currently required to carry an ID card, and that approach could continue.

Ms. Hocken pointed out a reference in the program application to designated hours and asked if the program would be restricted to certain hours. Ms. Parker said that the language was not new and would allow LTD to designate hours at a future point if necessary, but currently the program was not restricted to specific time periods.

Mr. Gaydos expressed the Board's appreciation to staff for their work on the programs.

EMPLOYEE OF THE MONTH – Transit Operations Manager Mark Johnson introduced Bus Operator Tony Semien, the November 2004 Employee of the Month. He listed Mr. Semien's many accomplishments and said the nomination was made by two guests who observed his compassion for a physically impaired guest. Mr. Gaydos presented the awards. Mr. Semien thanked the Board for the award and said that people were important and he wanted to be able to give a good account of himself when called upon.

AUDIENCE PARTICIPATION – There was no one wishing to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **A. Consent Calendar** – Mr. Kleger noted that he, not Ms. Lauritsen, should be listed as Board Treasurer in the September 15, 2004, meeting minutes. Mr. Kleger moved adoption of LTD Board Resolution No. 2004-031: "It is hereby resolved that the Consent Calendar for October 20, 2004, is approved as corrected." Ms. Ban provided the second. The Consent Calendar consisted of the minutes of the September 15, 2004, regular Board meeting.

VOTE The Consent Calendar was approved as follows:
 AYES: Ban, Gant, Gaydos, Hocken, Kleger, Wylie, Lauritsen (7)
 NAYS: None
 ABSENCES: None
 EXCUSED: None

B. Drug and Alcohol Policy Update – Director of Human Resources and Risk Management Mary Neidig introduced David Collier of the Human Resources Department, who was primarily responsible for managing the drug and alcohol program.

Ms. Neidig reported that changes to the drug and alcohol program policies were made in response to recommendations in a recent Federal Transit Administration (FTA) audit, as well as changes in FTA regulations. She asked Mr. Collier to provide an overview of the program and changes.

Mr. Collier used a slide presentation to provide an overview of the program, the policy changes being proposed, and why those changes were necessary. He said the objective of the program was to provide and maintain a safe and healthy work environment. He reviewed key elements of the program and highlighted changes, details of which were provided in the agenda packet. He

noted that the program averaged approximately 130 tests per year and there had been 5 positive results over the past 8 years.

In response to a question from Mr. Kleger, Mr. Collier said that there were no changes to the policy other than those made in response to federal requirements.

Ms. Hocken asked if the policy changes had been reviewed by union leadership. Ms. Neidig replied that union leaders participated in the FTA audit discussions, although they had not seen the final draft. She said that the only policy changes were required technical changes and the auditors had commended the drug and alcohol policy.

Ms. Hocken asked that the union review the proposed language before it was adopted by the Board.

Mr. Gant asked if the policy had been submitted to legal counsel for review and if any transit districts required different testing standards for drivers than for other safety-oriented positions. Ms. Neidig said that legal counsel may have reviewed the changes. She said there was no requirement that operators have additional testing procedures.

Mr. Gant said he understood that the policy satisfied the minimum federal requirements, but transit districts could impose higher standards. Ms. Neidig said that issue of whether it was appropriate to go beyond regulatory requirements had been discussed with the FTA auditors and with LTD's liability insurance carrier. She said the auditors' guidance was clear that districts needed to adhere specifically to the requirements. The FTA's policy position was that it would support only the federal requirements and the employer had to accept the liability for anything beyond that in terms of confidentiality or privacy; the FTA recommended that districts not go beyond the testing requirements set forth in the regulations.

Mr. Gant said his concern regarding liability related to legal action by a rider, not a driver. Mr. Johnson commented that some districts had stricter requirements around post-accident testing, but random testing of safety-sensitive positions generally adhered to federal guidelines.

Mr. Hamm remarked that the unions were heavily involved in developing industry standards related to testing and if the district exceeded those standards it likely would result in challenges from the union.

Ms. Ban asked if drug and alcohol policy training was provided to all supervisors. Ms. Neidig said that annual training was provided to all supervisors by an outside contractor who specialized in reasonable suspicion and identifying abuse issues.

The Board agreed with Mr. Gaydos' suggestion that action on the policy be postponed until the November 2004 meeting in order for the language to be reviewed by the union.

ITEMS FOR INFORMATION AT THIS MEETING**A. Current Activities****Board Member Reports –**

Metropolitan Policy Committee – October 14, 2004 – No questions or comments.

State Budget Briefing – September 23, 2004 – No questions or comments.

Region 2050 Policy Advisory Board – September 29, 2004 – Ms. Ban said the Region 2050 planning, which compared three growth scenarios for the area on a 50-year timeframe, was moving forward. She said that each month the board reviewed specific data; education and wastewater management were reviewed at the last meeting. She indicated that the transportation study was underway and when completed would be of great interest in terms of intercity connectivity, density, and congestion under each scenario and the implications for transit.

MPO Summit – October 15, 2004 – Ms. Ban reported that the goal of the summit was to bring MPOs together in a consortium or association around some common interests and issues, particularly legislation related to the infusion of transportation funds into the State budget. She said there was some agreement about approaches to the State and legislators and priorities to put forward. The next summit was scheduled for February 2005 in Salem. Ms. Gardner added that the meeting represented the next step toward concrete strategies for formalizing the group and obtaining benefits in terms of lobbying at the state and federal levels.

General Manager's Report – Mr. Hamm reminded Board members that the Springfield Station dedication was scheduled for October 21, 2004, in conjunction with the Springfield Chamber of Commerce Membership Breakfast, and in the evening the Business-to-Business Exposition would take place. He said the 7th Annual UO/Springfield Chamber Tailgate Auction would occur on November 19, 2004, and asked Board members to let staff know if they were interested in participating.

Ms. Ban said she was pleased to announce the Commuter Solutions Diamond Express service award at the MPC meeting.

Springfield Station Dedication – Mr. Gaydos presented a dedication plaque to Facility Services Manager Charlie Simmons for his outstanding efforts on the Springfield Station project. Mr. Simmons thanked the Board and acknowledged the efforts of all members of the LTD staff and the Springfield community and expressed his appreciation for their contributions to the success of the project.

Mr. Hamm distributed dedication plaques to Board members and thanked them for the role they played in bringing the project to completion.

Ms. Hocken acknowledged in particular the efforts of Board members Hillary Wylie and Dave Kleger. She also commended Charlie Simmons for his work on the Eugene Downtown Station.

Monthly Financial Report – Director of Finance & Information Technology Diane Hellekson reported that the revenue picture was unusual in that payroll tax receipts showed and unexplained "uptick" in September. She said the specific amount of the potential payroll tax

recovery from the contested taxpayer refund was almost \$1.4 million. She said that there was some concern about the growth in personnel services expenditures, particularly related to contract employees. She indicated the rate increase was almost double what had been established as a target for the current year and more information would be provided in the November 2004 report. She said that fuel costs continued to be a major concern and the shortfall in that line item could require a transfer from contingency funds that the Board would have to approve.

Ms. Hellekson said there would be two reports before the Board in November: the Comprehensive Annual Financial Report and the draft report from the Financial Management Oversight Review (FMO). She said that there were a number of favorable comments made by the reviewers during the FMO process, although the formal report merely would indicate no material deficiencies.

Mr. Hamm said that an exemplary FMO report indicated to those making funding decisions at the congressional level and at the FTA level that the District was able to steward the resources it received. He said that it was a compliment to the staff at large and particularly to Ms. Hellekson and would pay dividends in the future.

EmX Bus Rapid Transit Update – Mr. Viggiano stated that in August 2004 the Board had authorized staff to move forward with construction of transit lanes on the Martin Luther King Parkway concurrent with construction of the rest of the road. He reminded the Board that it was not certain when the authorization was made if federal funds could be used because of timing relative to the environmental work. He said that staff had explored other options for funding the project and had determined that the northbound lane, which was a shared transit/right-turn lane, would be eligible for Road Fund money. He said that staff were suggesting that LTD request \$40,000 in Road Fund money from the Lane County Board of Commissioners for that portion of the corridor. He said that the County had agreed to allow LTD to make a special request for those funds. He asked that the Board chair submit a letter to the County Commissioners requesting the \$40,000 and that other Board members make contact with commissioners to explain the request and solicit support.

MOTION Mr. Kleger moved to authorize the president of the Board to write a letter to the Lane County Board of Commissioners requesting Road Fund monies for the right-turn lane on Martin Luther King Jr. Parkway. Ms. Hocken provided the second.

VOTE The motion was approved as follows:
 AYES: Ban, Gaydos, Hocken, Kleger, Wylie, Lauritsen (6)
 NAYS: Gant (1)
 ABSENCES: None
 EXCUSED: None

Monthly Department Reports – There were no questions.

Monthly Performance and Labor Trends Reports – There were no questions.

News Articles about BRT throughout the Nation – There were no questions.

EXECUTIVE (NON-PUBLIC) SESSION PURSUANT TO ORS 192.660(2)(d), LABOR NEGOTIATIONS and PURSUANT TO ORS 192.660(d)(i), GENERAL MANAGER PERFORMANCE EVALUATION

MOTION **Executive Session** – Ms. Hocken moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated to carry on labor negotiations, and pursuant to ORS 192.660(2)(i), to review and evaluate the employment-related performance of the LTD general manager. Ms. Ban provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Gant, Gaydos, Hocken, Kleger, Wylie, Lauritsen (7)
NAYS: None
ABSENTIONS: None
EXCUSED: None

The executive session began at 7:25 p.m. Mary Neidig, Mark Johnson, and Diane Hellekson, members of the District negotiating team, were present for the discussion on negotiations.

Return to Regular Session: Following a motion by Mr. Kleger and second by Ms. Hocken, the Board returned to open session at 8:16 p.m.

Statement of General Manager's Performance: The Board wished to make a public statement regarding the general manager's performance for the past year. On behalf of the Board, Ms. Ban stated that the Board of Directors had reviewed the Board's and leadership team's responses on the performance evaluation form and had a thorough conversation with Mr. Hamm, with all Board members participating. The Board was in general agreement that Mr. Hamm had done a remarkable job in a very difficult year. There was clear acknowledgement that the challenges of the past year were exceptional, both internally and external to LTD, including everything from the economy to personnel challenges, to the union contract, and more. The Board agreed that Mr. Hamm had done a remarkable job of leading a very strong team and leading a team of leadership staff who were working in synch with each other and were very high performing. Ms. Ban stated that Mr. Hamm had reviewed the comments and made some recommendations for the coming year. The Board would be receiving a report on continuing goals from the last year, with a new prioritization and focus for the coming year. She added that a lot of that would involve the Board being more deliberate and invested in its own partnership with Mr. Hamm to carry the organization forward.

ADJOURNMENT

There was no further discussion, and the meeting was adjourned at 8:18 p.m.

Board Secretary