

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT

REGULAR MEETING

November 15, 1983

Pursuant to notice given to The Register-Guard for publication on November 10, 1983 and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of Lane Transit District was held on Tuesday, November 15, 1983 at 7:30 p.m. in the City Hall in Eugene, Oregon.

Present: Janet Calvert, President, presiding
Janice Eberly, Vice President
Judy Nelson
Larry Parducci, Secretary
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Peter Brandt, Treasurer
Ted J. Langton
Glenn E. Randall

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Ms. Calvert thanked the Board for their confidence in electing her President and expressed the hope that the Board could work together with all District employees to make the District more effective and better able to meet the needs of the community. She also commended the staff on a nice job in preparing the Annual Report to the Business Community. Ms. Calvert then stated that the agenda would be changed somewhat to allow discussion on an issue that arose that day, which concerned short-term investment of District funds. She asked that anyone wishing to speak on general issues do so during the time allotted for audience participation, and that those wishing to speak on particular agenda items do so at the time scheduled for those agenda items.

MOTION APPROVAL OF MINUTES: Ms. Eberly moved, seconded by Ms. Nelson, that the minutes of the October 18, 1983 regular meeting be approved as circulated. With VOTE no further discussion, the motion carried by unanimous vote.

CAPITAL REPLACEMENT/IMPROVEMENTS PROGRAM: Ms. Calvert turned the meeting over to Mark Pangborn, Director of Administrative Services, to present information on the Capital Replacement/Improvements Program (CIP). Mr. Pangborn explained that such a program was fairly common in any large organization, public or private, for the purpose of looking at the long-range capital needs of the organization. It includes construction or equipment, whether replacement or acquisition. He stated that the five-year program would be updated each year, and that the District needed to agree on the long-range needs as they fit in with the service needs of the organization. The result of such planning is to save for the capital costs and pay for the projects when they come due.

Mr. Pangborn went on to explain that LTD has always had a capital improvements program, but has never had the opportunity to look five years ahead at equipment needs. He said this was a good time to do so, because the Federal government seems to be making a commitment to provide capital funds to transit on a long-term basis. He added that he would talk about general trends for the District's capital needs, and asked that the Board members make comments, additions, or deletions to the working document in the agenda packet as they went along. He explained that the column for FY 83-84 was for expenditures expected in the present year and those items were part of the capital grant scheduled for discussion later in the agenda.

Regarding office equipment, Mr. Pangborn remarked that most expenditures would be for replacement of existing equipment, with the exception of a portable modular display unit for Marketing. He stated that there were not many significant expenditures in this category. He explained that staff viewed automation to be more cost-effective and helpful in holding down staff increases in future years. He said staff would be looking in the future at automatic telephone answering machines for schedule information, automatic change dispensers, a computerized coin counter, and microcomputers for Marketing and Planning. A fairly significant item, he said, was the computerized information system for the Customer Service Center, which might include video terminals in downtown or at the bus stops for commuter information. Mr. Pangborn stated that staff will study the District's needs and what is available before a final decision is made, but many times this type of information-giving equipment is less expensive than hiring staff to provide the service.

The purchase of a telephone system is being researched through a consortium of local government agencies, in order to obtain the greatest savings through bulk purchase. In the long run, purchase should be less expensive than renting.

Under facilities and system design, staff are taking a long-range perspective in reviewing the space needs of the District. For the long-range space utilization study budgeted for this fiscal year, the District will hire a consultant who is a specialist in transit development, and use that information to determine if the District should maintain and expand the current facilities or move to new facilities. Mr. Pangborn stated that the maintenance facility is already beyond capacity. He added that some costs on the long-range plan were duplicative, and would depend on the results of the space utilization study. He mentioned the depressed real estate market in the area, and that this may be an appropriate time to move if the study shows that is the direction the District should take. Mr. Pangborn said the District now has less employee parking than is required by the City, in the hopes of encouraging alternative modes of transportation. Along those lines, he said, the capital plan included the addition of covered employee bicycle and motorcycle parking.

Mr. Pangborn further stated that passenger boarding improvements are a major area of concern. The bus stop at the University of Oregon is proposed to help alleviate the car and bus line-ups at 13th and Kincaid. The District will be

working with the University of Oregon to improve this stop. Due to the difficult transfer situation at 30th and Hilyard, staff are working with the City of Eugene on a transit station at 29th and Amazon. Valley River Center has always been a problem area for buses, and staff are working with management there to plan a station closer to Delta Highway which will allow buses to get in and out of the shopping area faster and more easily. This would be done in conjunction with Valley River Center's remodeling plans.

Mr. Pangborn also mentioned current sentiment of downtown merchants to develop the west side of the downtown mall, and the possibility of reopening Willamette Street between 10th and 11th. If those plans are carried out, he said, LTD might be without access to the bus facility, might lose bus parking space, or might be faced with increased cross-traffic problems.

Ridership is increasing steadily, which may be attributed, in part, to the bus stop improvements such as the additional shelters. Staff want to continue offering more of this type of improvement, as well as infrastructure improvements such as curb cuts to make the improved bus stops more accessible to the handicapped. This is in line with the District's emphasis on fixed route accessible service, and involves a significant commitment of capital funds.

Mr. Pangborn further stated that the downtown commissions and businesses have approached LTD about providing a shuttle service downtown. He said that Ed Bergeron, Marketing Administrator, would later be talking about the Christmas shuttle being offered this holiday season, which staff view as an opportunity to try out this type of service in the downtown area. Measures of success include the use by patrons and the willingness of downtown merchants to help support such service in the future.

Mr. Pangborn then mentioned that the dates for capital improvements or replacement were all flexible, and were based on staff's best estimate of need in those areas.

In discussing the CIP for Maintenance, Mr. Pangborn said the items were fairly straightforward and mostly for replacement of existing equipment. He explained that the shop doesn't assume that tools and equipment will need to be replaced on a certain date, but they try to squeeze as much use as is possible from them and replace them within a year's time of when the need for replacement is known.

Mr. Pangborn went on to discuss the items listed under vehicles and accessories, and the proposed fleet replacement schedule through the year 2000. Based on the annual inflation rate, the District should be putting aside about \$150,000 each year just to pay the local match for buses during that time period. Anything less than that each year, he said, would mean that the District would be in the position of having to come up with a lot of capital in future years. One of the messages he hoped to stress that evening, he said, was the need for a commitment to planning for future years.

Mr. Pangborn then asked the Board to contact staff if they had questions after this meeting. He said he would like to bring the Capital Replacement/Improvements Plan back to the Board in January or February for some kind of final review, although it would not be staff's expectation that the CIP would be cast in stone. It would, however, give the District a direction or plan of action.

AUDIENCE PARTICIPATION: Ms. Calvert apologized for skipping this agenda item, and asked if anyone present wished to speak on any general area. There was no participation from the audience.

INVESTMENT OPPORTUNITY: Karen Rivenburg, Accountant, informed the Board that the District had that afternoon been offered an investment opportunity by Benj. Franklin Savings and Loan. The opportunity involved investing \$1.5 million for 42 days at 10-1/8% interest, which is 1-1/8% more than the District presently receives through the Local Government Investment Pool. Such an investment should earn \$1,950 in additional interest for the District. The money would be fully collateralized by the Benj. Franklin by certificates of deposit with the U.S. National Bank. This opportunity was to be cut off at 10:00 a.m. the following day.

Ms. Rivenburg recommended that the Board approve the investment of these funds. She said that, although the Board adopted a policy not to invest more than \$100,000 in any one institution, this investment was to be fully collateralized and would be a safe investment for the District.

Mr. Parducci moved that the Board approve staff to invest \$1.5 million with the Benj. Franklin Savings and Loan at 10-1/8% interest for a short-term investment. Ms. Nelson seconded, and the motion carried by unanimous vote.

FEDERAL SECTION 9 GRANT APPLICATION, FY 83-84: Ms. Calvert stated that staff would present what was involved in the grant application, after which the Board would hold a public hearing and then the Board members would discuss the issue. Mr. Pangborn stated that the public hearing and Board review of the grant application were required by Federal regulations.

Mr. Pangborn then explained the District's opportunity to receive \$47,000 in operating funds from capital funds, with a penalty of \$23,500; therefore, he said, it would cost \$70,500 to receive the additional \$47,000 in operating funds. Since the District now expects to receive more revenues than initially budgeted, staff were recommending that the Board not choose to take advantage of this opportunity. Furthermore, the Federal government is discouraging this kind of exchange of funds.

In explaining system design as listed in the grant application, Mr. Pangborn said staff would perform a joint study with the City of Eugene to see if stop light overrides for buses would be appropriate in some of the major areas of congestion in the city.

Ms. Eberly thought \$32,000 was a lot to spend for a study. Mr. Pangborn explained that the cost of computerized graphics terminals, passenger counters,

etc., add expense to a study. The long-range space utilization study, he added, did not include equipment, but it was the staff's best estimate of what it would cost to bring in someone who is familiar with transit's needs. Ms. Loobey added that when you are putting down fuel tanks, etc., it is important for it to be done right, and that the present facility is a result of \$18,000 spent on a space study five or six years ago.

Ms. Calvert asked for more details about the money proposed for 29th and Amazon. Mr. Pangborn explained that it would be a joint effort with Parks and Recreation. They would be putting in a parking lot, and the bus stop would be an island in that area. It would involve major street reworking, but the District would try to utilize the existing shelters. The District would have to compensate the City for the land in some way, probably by constructing something that could be jointly used. Stefano Viggiano, Planning Administrator, added that the cost of the entire project would be about \$150,000, but the Parks Department would be paying for their share of the project. Mr. Pangborn added that a transfer station in this area would alleviate some of the problems the District is presently having by running buses through the neighborhoods at 30th and Hilyard.

In explaining other items in the CIP, Mr. Pangborn stated that new bus stop signs would help standardize the signs that the public sees, and would have room for more bus route information on them. The curb cuts and boarding pad improvements are necessary in order to allow wheelchair users full use of the District's accessible buses, which will be at the 100% accessible level in the near future. The "next bus stop" signs are a small item but of concern to the drivers, who find them very helpful.

Mr. Pangborn stated that there is adequate local capital to pay for the District's share of these projects and still leave a balance of about \$307,960.

In the past, said Mr. Pangborn, the District has had separate grant applications for capital and operating funds, but new legislation has combined them.

PUBLIC HEARING ON SECTION 9 GRANT APPLICATION: Ms. Calvert opened the public hearing for comments regarding the Federal Section 9 grant application for capital and operating funds. Hank Perry, a Lane Transit District bus operator, asked a question regarding FY 81-82. Mr. Pangborn replied that the Board would be discussing that next. There were no other questions or comments from the public, and Ms. Calvert closed the public hearing on this issue.

BOARD DELIBERATION ON GRANT APPLICATION: Ms. Calvert asked for more information about the operational funds requested in the grant application. Ms. Loobey replied that it was very straightforward; the District would apply for the full allotment of \$893,000 now and decide how to spend that money later, through the budget process.

Ms. Calvert then stated that the Board members could ask staff for changes in the grant application or approve it, in which case staff would begin the process of applying for the funds.

Ms. Eberly noted that the \$47,000 optional operating funds had been included in the draft application. Mr. Pangborn stated that it had been included because it must be included in the form if the Board approves it, but if it is not approved, it can be deleted from the application. Staff had had to notify the public that there was a potential for applying for those funds.

MOTION Ms. Eberly moved that the Board follow the staff recommendation not to apply for the extra \$47,000 in penalty funds for operating expenses. Ms. Nelson
VOTE seconded the motion, which then carried by unanimous vote.

MOTION Ms. Eberly stated that, unless other Board members had questions, she felt the issue had been covered completely. She then moved that the Board progress with the application and authorize the General Manager to execute the Federal Section 9 grant application.

Ms. Nelson asked if the future analyses would be approved in steps, and Mr. Pangborn replied that they would, and that the results of those studies would have an effect on future long-term capital needs.

VOTE With no further discussion, the motion on the floor carried by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING:

T-2000 Update Information Session: Ms. Calvert introduced Stefano Viggiano, Planning Administrator. He explained that the T-2000 plan is a long-range transportation plan for the area. It is intended to guide the development and management of a transportation system while insuring that it is done in a regional context and consistent with long-range land use planning.

Mr. Viggiano further explained that the Plan is guided by 12 principles, of which #4, Transit Usage, is of most concern to LTD. The goal is for a modal split of 14% of all trips to be taken on transit by the year 2000.

An update of the T-2000 Plan is now underway, due to the fact that a new land use plan is in existence. The type of use of the land has a significant impact on transportation because it impacts travel patterns and trip-making in the community. Mr. Viggiano explained that two types of changes will be made during the revision of the Plan. The first involves non-controversial, "house-keeping," or wording changes. The second involves the more controversial issues which involve a difference of opinion within the community. The biggest of these, he said, is the transit goal. Everyone agrees that it is good to have high transit usage, but there is disagreement on how attainable the 14% goal is.

The LTD staff position is that the reason we only carry 2% now is based on the negative impact on ridership from external factors. Some of those factors are the availability and price of gasoline, the local economy (unemployment and population), land-use density, college and university enrollment, price and availability of parking, and amount of street congestion. Another consideration

is transit service levels; in the last four years, LTD has cut service 30%, which in turn has a negative impact on transit usage. Without the opportunity to expand service, stated Mr. Viggiano, the District would never have an opportunity to increase and meet the goal. However, ridership has been increasing and staff have indications that the increase will continue. Mr. Viggiano mentioned the 8% ridership increase experienced over the past four months.

Mr. Viggiano further stated that the local officials will be examining the transit goal in February or March, and staff are hoping the decision will be made in March. Staff are presenting information about transit, and will be contacting elected officials to discuss with them the importance of considering transit as important for the future of the community. Mr. Viggiano handed out some written materials to the Board and stated that similar information will probably be given to local elected officials.

Budget Committee/Budget Authority: Ms. Calvert stated that the Budget Committee had asked to reconvene when income figures for this fiscal year were better known. That Budget Committee meeting had been scheduled for November 29. Mr. Parducci and Ms. Nelson have the responsibility to nominate persons to serve on the Budget Committee for the coming year. Included in the agenda packet was a staff memo detailing Board and Budget Committee authority in the budget process.

Appointments to Subcommittees: Ms. Calvert announced that she had named Ms. Eberly and Mr. Brandt to serve, with herself as an ex officio member, on the Board Budget Subcommittee. The Subcommittee on Administrative Salaries will consist of Ms. Nelson and Mr. Parducci, with Ms. Calvert again as ex officio member. They would be carrying on the work of that subcommittee as of that date.

1983 Christmas JOYRIDE: Ed Bergeron, Marketing Administrator, called the Board's attention to a memo from Carla Chambers, Marketing Representative, which explained the JOYRIDE promotion. Mr. Bergeron also showed the Board some of the materials being used to promote the service, and said that 84 downtown merchants had donated prizes to the lucky number contest for JOYRIDE riders. Mr. Bergeron listed this promotion as an example of the success LTD has had in working with the downtown merchants.

Performance Objectives Update--First Quarter FY 83-84: Ms. Loobey said that staff will be working on objectives reporting to see if it is useful as presented or if it should be graphed, show trends, or offer more information. She stated that the cost per trip has decreased, due to the District's ability to use part-time bus operators sooner than had been expected.

FY 81-82 Funds: Mr. Pangborn informed the Board that in FY 81-82 \$150,000 had been set aside out of the present grant as a cushion for future years, to allow the District to cut back on Federal funds at a slower rate. That money would need to be applied for this year or next, or it will be lost. If the Board decides to apply for the money, the District would have to make a new application for it. The money could be put into the physical operations. Mr. Pangborn

further explained that staff had hoped to keep the money as a cushion against the loss of Federal support, which did not occur this year.

Ms. Calvert remarked that this issue had been discussed by the Budget Subcommittee, and that Mr. Brandt, who was not present that evening, thought the District should apply for the money and put it into Risk Management. She suggested that the Board wait to discuss this issue at a later meeting, since Mr. Brandt was not present and since it is not tied to the Section 9 grant application.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(i): Ms. Nelson moved that the Board adjourn to Executive Session Pursuant to ORS 192.660(1)(i), for the purpose of reviewing the employment-related performance of the chief executive officer (General Manager) of the District. Ms. Eberly seconded, and the motion carried by unanimous vote.

MOTION ADJOURNMENT: After returning to regular session, Ms. Eberly moved, seconded by Ms. Nelson, that the meeting be adjourned. With no further discussion, the meeting was unanimously adjourned.


Secretary



LANE TRANSIT DISTRICT

December 20, 1983

MEMO

TO: Board of Directors
FROM: General Manager
RE: November 29 Budget Committee Recommendation

On November 29 the members of the Budget Committee recommended an allocation of District funds entitled Option 1. The features of this option included a reduction in the payroll tax rate, to be effective January 1984, funding for Capital Reserve and Risk Management Funds and accrued leave and expenditures for service, promotions and an employee productivity award. Funds to be appropriated for the above purposes are shown below:

Reduction in P.R. Tax Revenues	\$400,000
Capital Reserve	135,000
Risk Management	135,000
Accrued Leave	93,000
Service and Promotions	80,000
Reward for Employee Productivity	<u>57,000</u>
	\$900,000

The action requested of the Board is to approve Option 1 as recommended by the Budget Committee.

During the course of public comment following the action of the Budget Committee on November 29, the issue of lowering the base fare has been raised.

The fare issue was discussed by staff prior to the Budget Committee meeting, but was not put forth for the following reasons:

- Special short-term fare promotions have more impact, media attention and pizzazz than an ongoing fare reduction.
- Short-term fare promotions in conjunction with special events, such as the Lane County Fair or Joy Ride, present opportunities to work cooperatively with other groups and agencies.
- Recent ridership growth has indicated a far greater service sensitivity than fare sensitivity. For example, service was doubled during the mid-day period on the #41 BARGER. Ridership more than doubled; ridership increased by a greater proportion than the added service.

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