

MINUTES OF SUBCOMMITTEE MEETING  
LANE TRANSIT DISTRICT

FACILITIES SUBCOMMITTEE

April 30, 1985

Pursuant to notice given to the news media on April 29, 1985, a meeting of the Facilities Subcommittee of the Lane Transit District Board of Directors was held in the District Conference Room at 1938 West Eighth Avenue, Eugene, at noon on Tuesday, April 30, 1985.

Present:

Larry Parducci, Acting Chairperson  
Janice Eberly  
Bruce Hall, Community Representative  
Jim Ivory, Community Representative  
Phyllis Loobey, General Manager  
Jo Sullivan, Recording Secretary

News Media Representative:  
Doug Barber, KEZI-TV

Absent:

Janet Calvert, Committee Chairperson

Staff Present:

Tim Dallas, Director of Operations  
Mark Pangborn, Director of Administrative Services  
Ed Bergeron, Marketing Administrator  
Karen Rivenburg, Accountant

INTRODUCTIONS/REMARKS: Mr. Dallas introduced the Subcommittee members to staff and the KEZI reporter. He then stated that the purpose of the meeting was to explain the recommendations of the consultant, Eric Gunderson, regarding site selection and project budget. It was staff's intention to deliver the same packet to the other Board members for discussion at the May 7 meeting. The Budget Committee members had also been invited to attend the presentation to the Board on May 7, before the scheduled 8:00 p.m. Budget meeting. The only item for discussion at the Budget meeting will be the Capital Projects Fund, of which the facilities project is the major component. The proposed time line included a decision by the Board regarding continuation of the project, site selection, and authorization of staff to prepare a grant application for approval at the May 27 regular Board meeting. Mr. Parducci and Ms. Eberly thought a half-hour meeting on May 7 would not be enough time for the Board to absorb the details of the project and ask questions. It was suggested that a work session be held on May 14, in time for grant approval on May 21. Mr. Hall thought that because there was an article in the Register-Guard that day, the Board members would begin hearing ques-

tions about the project and should have the technical information on the site selection and budget recommendation as soon as possible.

**RESULTS OF FINAL SCREENING:** Mr. Gunderson stated that the Subcommittee was being asked that day to recommend a final site and projected budget to the Board. The Subcommittee would be looking at specific details regarding each site, such as the impacts on the community and the variables affecting costs of each site, as well as drawings of each site and the proposed layout of facilities on the site.

The top-ranked site was the Eugene Drive-In in Glenwood. It is near Franklin Boulevard to the north and Glenwood Boulevard to the west, with a residential area on the south and east. The property is level, has the best soil conditions, and covers 13.6 acres. Mr. Pusateri wondered about obtaining the agricultural land next to the drive-in site. Mr. Gunderson stated that the bus parking is potentially the most objectionable to the residential area, and that buildings and other means, such as landscaping and a screen wall, will be used to block the noise. The utilities at this site are fairly good, and the soils would involve the least amount of foundation cost. Water service would have to come from Franklin, and the property would be annexed to Eugene to obtain the use of City services. The issue of annexation has been discussed with City Planning staff, and the property could be annexed by itself without forcing any property owners to annex.

The site which was ranked second is called the "South Glenwood Site," at East 17th and Glenwood Blvd. This site would require some filling in of a slough. The utilities would be the same as for the Drive-In site. The southern portion of this site is in the city limits; the northern portion would have to be annexed, but it would be a contiguous annexation. The architects would recommend retention of part of the slough, for added drainage during heavy rainfall. There would be some added costs for access to the property, since a longer driveway would be required due to the shape of the property and the slope of Glenwood Blvd. Deadheading distance and time make this site equal in fleet operating costs to the Glenwood Drive-In site.

The third site, called the "Burlington Northern Site, is located at Second and Garfield in Eugene. It was formerly a U.S. Plywood mill and contained a large wood frame mill building and log pond. It is currently leased by Burlington Northern to Timberlane Lumber Company, and those offices would have to be relocated in accordance with federal business relocation requirements. The property is 12.27 acres and would not have to be annexed. Two feet of existing soft fill material would have to be removed over most of the site, and additional excavation would be required in portions of the former log pond. Building on this site would have the least negative environmental impact because it is currently zoned heavy industrial. This property is the most centrally located, but Mr. Parducci thought the lower cost for deadheading time was less important than the

cost of the required landfill work. Mr. Gunderson stated that travel costs were estimated as far as 50 years into the future, but still did not make the west Eugene sites more favorable because of other costs involved.

The fourth-ranked site was the existing LTD property at Eighth Avenue and Garfield Street in Eugene. In order to expand at this site, seven existing businesses would need to be relocated, and a portion of Eighth Avenue would have to be closed to traffic. Mr. Gunderson stated that the political impact of condemning and relocating that many businesses is negative and not recommended. In addition to the need to construct a two-story parking garage if this property were to be used, costs would still be higher and construction would be difficult because operations at LTD could not be shut down while construction occurred.

Mr. Gunderson then discussed a chart which compares site costs for the four properties in the areas of buildings, site work, furnishings and equipment, land, business relocation, consultant fees, government fees, moving, LTD staff, and contingency, which resulted in a total facility cost. Estimated revenue from the sale of the existing LTD property was subtracted for three properties, and estimated 20-year fleet operating costs were added to all four, resulting in comparative total costs for construction and operations over 20 years. He stated that human interests were included in the costs, such as for noise barriers and landscaping.

The existing LTD property ranked as the most expensive in most categories. The Glenwood Drive-In site consistently ranked in the low end, and was the preferred site, based on these rankings. It was being recommended that the District negotiate with the owners of all three properties, and that the site study be adopted.

**PRELIMINARY PROJECT BUDGET:** Mr. Gunderson called the Subcommittee's attention to page 6 of their agenda packet, where three budget options for the Glenwood Drive-In site were listed. The first budget option was to construct the facility as programmed for the year 2005, with a total facility cost of \$9,722,775. Sale of existing land could lower that price by \$687,000, but Mr. Gunderson cautioned about counting on receiving the revenue from an immediate sale.

Mr. Gunderson also presented two variations for phasing the construction, with their corresponding projected costs. Budget Option #2 would construct the facility in 1985 for program needs until 1995 and budget and fund Phase II construction later. Budget Option #3 would construct buildings for the year 2005, but build bus and employee parking for the year 1995. Phase II construction would be budgeted and funded later. Mr. Gunderson explained, however, that it would be cheaper in the long run to build the facility at one time because of redundant costs found in phased construction, such as in tearing out walls to rebuild.

**DISCUSSION AND SUBCOMMITTEE RECOMMENDATION:** Mr. Parducci asked what could happen to change the rankings. Mr. Gunderson stated that the costs had been carefully estimated, while trying to see every angle of what might happen at each site, especially in looking at the assumptions that might vary significantly. Even if the low ranges of all of those costs were used, the ranking would still be the same. Mr. Dallas stated that the potential sites had been narrowed from 40 to four, and the District could live with any of the top three; they were all good sites.

Land value was determined by property appraisal, not by using assessed value. Mr. Dallas said he thought the numbers were all pretty close, and explained that LTD is required by law to pay the fair market value for the land. The District has to hire two appraisers and the owner hires a third, and the three appraisals are averaged. The District is not able to offer the owner less than that average among. He added that staff would prefer a recommendation that says the District should negotiate with the owners of all three sites. That would give the District an opportunity to see what the final purchase prices would be before making a final selection.

Mr. Parducci wondered about the time between beginning negotiations and having a fairly well settled purchase price. Mr. Dallas thought the land questions could be pretty well answered in three to four months. All three properties would probably not be negotiated at the same level; depending on the initial response from property owners, appraisals may be done on some. By four to six months, the District should have federal approval and would start design work, where the main variations in cost will be. More soils tests will be required before design work can begin. Mr. Gunderson said that there are several construction companies in this area that could handle construction of the facility, and he thought there would also be some interest from out of town, as well.

Mr. Dallas and Mr. Pangborn informed the Subcommittee that the \$9.5 million budget being recommended that day was different than the \$8 million budget staff had recommended during the budget process. The facility will be constructed with 75 percent federal money. The District should have \$1.7 million in capital reserves at the end of the current fiscal year, but will need almost \$500,000 more for local share.

Mr. Parducci asked about funding for the downtown Eugene transfer station. Mr. Pangborn explained that the downtown station funding could come from different sources, including Federal Aid Urban funds. Local match for this project could be as high as \$25,000, which is not a significant amount in terms of the budget for the new facility.

Mr. Ivory recommended that the Subcommittee take the study information and recommendation to the full Board as it stands and get the project going. Ms. Eberly stated that after the sale of the existing property, 80 percent will need to be returned to the federal government. She

recommended that the facility project budget not include revenues from the sale of the property. Mr. Dallas said that sometimes the federal government takes such money back without applying it to the new project. The timing is also not right, because the District needs to use its current site until the new facility is finished. The money could be used later for phased construction or bus purchases, etc., however.

Mr. Parducci and Ms. Eberly stated that Mr. Gunderson had done an excellent job of ranking sites and projecting costs, as well as in painting the picture for the Subcommittee. Ms. Eberly also expressed concern that the other Board members would hear about the need for increased funding without also hearing the details about the project that the Subcommittee had just heard. Mr. Dallas said that staff had hoped to have a similar presentation to the Board and interested Budget Committee members at the May 7 meeting. Ms. Loobey added that the timing is unfortunate, but the District was facing federal funding deadlines. Ms. Eberly asked if funding for the original \$8 million had been formally determined. Ms. Loobey replied that the revenues will come in during a two and a half to three-year process, so the costs will need to be allocated over a three-year budget cycle.

TIME LINE: Mr. Pangborn outlined the time line for the facility budget. Budget meetings are to be held on May 7 and 21, and a Board meeting may be held on May 28. A public hearing and budget approval will be scheduled for the June 18 meeting. The grant application deadline is June 30, and budget deliberations also need to be finalized before the fiscal year ends on June 30. Mr. Dallas said staff wanted to place discussion of the facility on the May 7 agenda so there would be no surprises later. Ms. Eberly repeated that she was uncomfortable with the short time allocated to discussion with the full Board. Mr. Parducci suggested that a half an hour be allocated to the presentation only, and that another meeting be scheduled for actual approval. Mr. Pangborn stated that the only item for discussion at the May 7 meeting will be for capital projects, of which the facility project is the most major. If a presentation is made on May 7, the Board could formally approve the site study and proposed budget at the May 21 meeting, and direct staff to proceed with the grant application at the same time.

MOTION: Mr. Parducci moved that a recommendation from the Subcommittee to approve negotiations with the top three sites, and to consider approval of Budget Option #3, for a total facility cost of \$9,537,731, which excludes revenues from sale of the existing property. Mr. Ivory seconded the motion. Ms. Eberly wondered if this recommendation was saying it was okay to spend that much money. Mr. Parducci said it was not, it was saying that the Subcommittee recommends that it go before the full Board for approval. He said he agreed with the #1 site, with some reservations, but thought more discussion could be held with the full Board.

Mr. Dallas said that if the Board approves a facility that is going to cost \$9.5 million, that still does not authorize staff to purchase the property, etc. Mr. Parducci commented that things will change, and that he thought that Option 3 was the best recommendation, based on all the materials presented. He asked that staff work on the options and alternatives for the proposals, and be able to tell the Board and Budget Committee what impact these options would have on the payroll tax, LTD's finances, etc. However, Ms. Eberly said she was still not in favor of the budget figures. Mr. Parducci said again that this was only a recommendation, not final approval. He thought that everything looked good for going ahead with the facility, and said the Board could change things if different circumstances arise.

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

Mr. Dallas said that staff would prepare a letter for Ms. Calvert's signature, as the Subcommittee Chairperson, to include in the May 7 agenda packet. He added that he would call the rest of the Board members to explain the situation, and would prepare the Subcommittee's agenda materials that day for distribution to the rest of the Board. Ms. Eberly asked that he also recontact the Budget Committee members to emphasize how important it is for them to hear the presentation on these issues. Mr. Parducci said he could not attend the meeting on May 7, but Mr. Ivory and Ms. Eberly said they would be there.

Mr. Dallas summarized the action for the Board to take on May 7. He thought first that the Board needed to say that the budget projections should be included in the budget process, and second, that the Board should direct staff to begin to prepare the grant application. Approval of the grant application itself would be scheduled for May 21.

ADJOURNMENT: With no further discussion, the meeting was adjourned.

  
Recording Secretary