

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

ADJOURNED MEETING

Wednesday, December 10, 1986

Pursuant to notice given to *The Register-Guard* for publication on December 4, 1986, and given at the November 19, 1986 regular meeting, an adjourned meeting of the Board of Directors of the Lane Transit District was held on Wednesday, December 10, 1986 at 7:30 p.m. at the Eugene City Hall.

Present: Janet Calvert, President, presiding
Peter Brandt, Treasurer
Keith Parks
Gus Pusateri, Secretary
Dean Runyan
Rich Smith
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Janice Eberly, Vice President

CALL TO ORDER: Ms. Calvert called the meeting to order at 8:50 p.m. Dr. Smith was not yet present.

BUS RIDER OF THE MONTH/EMPLOYEE OF THE MONTH: Ms. Calvert stated that neither the Bus Rider of the Month nor the Employee of the Month could be present that evening, and that she hoped they might be able to attend the January meeting to be introduced to the Board.

AUDIENCE PARTICIPATION: Ms. Calvert asked for audience participation of a general nature. Karen Hofer, of 5570 N. "A" Street, Springfield, 97478, said that she had recently become aware that the District did not offer service on Thanksgiving and Christmas, and that she had obtained 170 signatures on a petition asking that Sunday service be run on Thanksgiving Day and Christmas Day, or once an hour between 12:00 noon and 6:00 p.m., at half-fare. The purpose of the request, she said, was to help the poor, seniors, and others in need of bus service to get to soup kitchens, free dinners, and family resources on those days. She referred also to a letter from Springfield Mayor Sandra J. Rennie, which stated that without specifically endorsing the petition, the Springfield City Council wanted to go on record as encouraging the LTD Board to give serious consideration to the request for service on Christmas Day. Ms. Hofer also stated that 23 agencies within the service area had been contacted; 20 had voted to support the request, and three had said it was not relevant to their clients.

Ms. Hofer said that because of the short notice, with just 15 days left until Christmas, she felt it was essential that the Board make a decision that evening. She said that any way of getting service to the community, including using Dial-A-Ride, would be greatly appreciated.

Ms. Calvert thanked her for her input and said that the Board would discuss her request in more detail during the meeting.

MOTION

APPROVAL OF MINUTES: Mr. Brandt moved that the minutes of the September 23, 1986 joint LTD Board/Eugene Downtown Commission meeting, the November 18, 1986 special LTD Board meeting, and the November 19, 1986 regular Board meeting be approved as distributed. Mr. Parks seconded the motion, and the minutes were approved by unanimous vote (5-0; Dr. Smith was not yet in attendance).

VOTE

APPROVAL OF SCHEMATIC DESIGN FOR NEW OPERATIONS FACILITY: As Chair of the Board Facilities Committee, Ms. Calvert described the process by which the Committee had come to its recommendation to the Board regarding the schematic design for the new operations facility. She also commended staff and Eric Gunderson, the architect for the project, for their clear and detailed presentations at the Committee meetings.

Stefano Viggiano, Planning Administrator and Project Manager, said that staff were asking for approval of the schematic design, which includes a floor and buildings plan, and that staff and Mr. Gunderson had gone into some detail regarding the project at the last meeting and later for Board members who could not attend the November 18 meeting. Staff were not requesting site-specific approval; rather, they were requesting conceptual approval for the relationships and functions of the buildings, how the divisions are oriented, etc. He said that nothing was "set in concrete" at this point, and the Board should think of the entire design process on a continuum, not phases, and that staff were seeking direction from the Board on whether the facility was on the right track at this point.

Staff were at that time waiting for land appraisals and soil testing, and hoped to come back to the Board in January for approval for land acquisition. In order to have construction money available next winter, approval of an amendment to the UMTA Section 3 grant would be brought to the Board in April. Staff wanted to wait until April in order to have the most accurate estimate possible, after completing the design development phase.

In response to a question from Mr. Runyan, Mr. Viggiano stated that the design being proposed that evening was identical to the one discussed at the last meeting. The Urban Mass Transportation Administration (UMTA) had identified some issues they would like LTD to address, and staff are working on those, but no decisions or changes have been made. The cost and funding issues had been addressed at the last Facilities Committee meeting. The current estimate for the facility is \$1.3 million more than the 1985 estimate. The Committee wanted to look at three issues regarding

the cost and funding: (1) given the larger estimate, is local money available; (2) what caused the larger estimate; and (3) is there a potential for future cost increases?

Mark Pangborn, Director of Administrative Services, explained the District's capital program and funding. All other capital projects, excluding the facility, include \$815,000 in Section 9 and 18 federal funds and a local share of \$246,601, for a total of approximately \$1,062,000. The facility project involves \$1,724,840 in Section 9 federal funds and \$431,210 in local share, for a total of approximately \$2.1 million. Mr. Pangborn explained that UMTA had required that the District dedicate a two-year capital allocation to the facility. Since 4.5 percent of LTD's service is provided in rural areas, a corresponding percentage of the cost of the new facility should be borne by funds dedicated to rural service. Therefore, the District has requested \$338,206 in Section 18 funds, requiring a local match of \$84,552, for a total of \$442,758. In April, the District will apply for \$6,173,159 in Section 3 funds, requiring a 25 percent local match of \$2,057,719, for a total of \$8,230,878. The three grants combine to equal \$10,809,686 for the facility, and the total local share for the facility and other capital projects equals \$2.8 million.

Dr. Smith arrived at this point in the meeting.

Mr. Pangborn explained that the District's anticipated \$320,000 in lottery funds has to be obligated and under contract by June 30, 1987, or LTD will not be eligible to receive that money. So far, the District has an architectural contract which has obligated \$120,000 of the \$320,000. If a decision on land acquisition and design approval can be made in April, the balance of the lottery funds could be obligated to site work and land acquisition. Staff are also negotiating with other transit districts in the state to see if a trade or loan can be arranged; in other words, to see if LTD's share can be loaned to other transit districts and paid back in another year. This has been done in other instances with State funds. The District has until FY 88-89 to obtain the local match needed for the grant application. However, the most conservative approach is to have the money in the bank when applying for the funds.

Mr. Pangborn explained that the Section 9 grant funds have been approved and allocated; Section 18 funds have been approved by the State; and Section 3 funds have been applied for, but not quite at the level needed, because the original estimate was made two years ago. The federal officials want LTD's final figures in April. Mr. Pangborn stated that the District is the first and only applicant on UMTA's regional offices's list for project priorities. Mr. Viggiano stated that approximately \$1 million in costs had been eliminated in response to suggestions made by a value engineering team that looked at the preliminary facility design.

Mr. Viggiano discussed cost increases which were not within the District's control; life-cycle costing, explained on page 29 of the agenda packet; design refinement; and costs which were not anticipated in April

of 1985. Mr. Pusateri, a member of the Board Facilities Committee, explained that the Committee had met in November and had not completed discussion of the schematic design and cost estimate. Upon adjourning, the Committee had asked staff for a breakdown of costs causing the \$1.3 million increase over the 1985 estimate, which the Committee had felt was a considerable increase. He thought that breaking down the categories in this way had made the increases a lot more clear and sensible.

Mr. Brandt asked about cost savings. Ms. Loobey replied that 5,000 square feet had been cut from the Maintenance building, and additional square footage from the Administration building. Mr. Brandt thought the District needed to find the final cost which it will spend on the new facility. Ms. Calvert stated that a large part of the Facility Committee's decision was based on the idea that any increases from now on would be very carefully scrutinized. She said there could be unanticipated expenses, and the Committee recognizes that, but from the standpoint of design, this should be the final cost. Mr. Pusateri added that if the Board finds that the design gets "out of hand," they will have to review the design issue. Ms. Loobey said that about 20 percent of the entire process has been completed, and that there are still a lot of unknowns about the facility.

Ms. Loobey stated that the facility will go through additional value engineering and a lot more scrutiny. The estimate at this time is to give the Board a sense of where the facility is now and what is known after two years of planning. Mr. Viggiano showed the significant increases over two years, and explained that some of the unknown costs are now known, since it was difficult to make estimates before any design work was done. Staff do not anticipate this sort of cost increase happening again in the future. In the beginning, he said, the District had budgeted a small contingency and a lot of unknowns were not budgeted. A different theory would have been to budget for the unknowns, or to "pad" the budget. Ms. Calvert added that in the beginning, the District was looking at a favorable construction environment, but by the time the District builds, a lot of construction will be happening in the area, and the market will not be so favorable; also, two years of inflation have added to the increase in the budget. However, Mr. Viggiano stated that staff were not asking for approval of the cost estimate that evening, just of the design.

Mr. Parks wanted to know what period of time is used for considering payback on life-cycle costing. Mr. Viggiano replied that the District uses a 20-year facility life and discounts the operating cost to present value. The District will probably use what the federal government uses-- 9.8 times the annual cost in a 20-year period, so a capital item would pay for itself in reduced operating costs in 9.8 years.

MOTION

Mr. Brandt moved that the Board approve the Facilities Committee recommendation that the schematic design be approved as presented, recognizing that further changes, including site location, may affect total cost and may require reevaluation of the current design. Mr. Parks seconded the motion.

Mr. Runyan asked about additional paving items. Eric Gunderson, project architect, explained that the original estimate included a list of square footage, 12 x 45 feet, plus one-half an aisle to turn into spaces for bus parking, but the design allows for one whole aisle instead of one-half at the edge. He said this is a function of now having a design, and that the paving will be there when the District expands with more bus parking in the future. Ms. Loobey added that bus parking areas need a deeper bed, using concrete rather than asphalt, than car parking areas.

VOTE

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

HOLIDAY SERVICE: Ms. Calvert read the letter from the Springfield Mayor regarding the offering of service on Christmas, and gave copies to each Board member. Mr. Viggiano called the Board's attention to page 41, and explained that the District now offers service on holidays when retail and service-oriented businesses are open. Those businesses are generally closed on Thanksgiving, Christmas, and New Year's Day. LTD did run service on Thanksgiving Day in the past, beginning in 1977. However, it carried one-third the normal Sunday ridership, and due to revenue shortfalls, Thanksgiving service was discontinued as being nonproductive in 1981. This is the first year the District has received significant public contact regarding holiday service. Mr. Viggiano stated that staff had surveyed seven other transit properties of similar size in the U.S., and found that four do not service on Thanksgiving and Christmas, and three do not carry many people but offer the service as a social service for the community.

Mr. Viggiano then discussed two proposals for holiday service on page 42 of the packet. Because the petition only requests service from noon to 6:00 p.m., the cost for running the service on the two holidays would be reduced to \$5,000 per year. If the Board chose to use a demand/response service, the District could contract with Special Mobility Services (SMS) to run four ten-person vans which would respond to calls for. The productivity for both options would be low, with Sunday service anticipated at about one-fourth the normal Sunday productivity, with a cost per trip about 2.5 times higher than the normal Sunday. The productivity for the demand/response service would be lower because the origins and destinations are scattered, but the cost per service hour would also be lower.

Mr. Viggiano explained that the staff recommendation would be to not offer holiday service this year, but to include study of the possibility of offering holiday service in the future in the Annual Route Review performed each spring. The results of the study could be taken to the Board in June and implemented with the September bid. He stated that service on Thanksgiving, Christmas, or New Year's Day could not compete with regular service in terms of productivity, but it could be offered as a community, or "safety-net" service.

Mr. Brandt wondered why staff projected 1,000 rides for offering Sunday service, yet only 150 if Dial-A-Ride service was used. It was

explained that normal Sunday ridership is 3,500 riders, but in order to use Dial-A-Ride, patrons would have to make arrangements ahead of time. Offering Sunday service levels would allow more capacity; Dial-A-Ride service would be more of a "safety net" for those who needed service on those days. In response to further questions, Mr. Viggiano stated that drivers are paid time and one-half for working on holidays.

Mr. Brandt wondered how patrons would find out about the Dial-A-Ride service. Mr. Viggiano stated that since the people who would be worried about having service would be transit-dependent patrons, and since the District is not trying to create a demand for that service, notice could be handled by having posters on the buses, in the space behind the driver. It was proposed that the regular holiday fare of 30 cents would be charged, even if SMS provided the service.

Mr. Runyan wondered if there would be more demand if service was offered on eight vans instead of four. Mr. Viggiano further explained that staff are guessing at who would want to ride, but that SMS only has six vans in all. On a survey, 70 percent of riders said they did not have a car available for the trip they were taking on the bus. Since most businesses and services will not be open, it is difficult to estimate how many people will need service. Ms. Hofer said that more services would be open on Thanksgiving Day than on Christmas, including meals and St. Alice, the Mission, and the Salvation Army.

Mr. Pusateri wondered if the District had to run 20 buses for a holiday. Mr. Viggiano said that LTD could run any number of buses, but 20 is about the minimum number of buses that can run fixed route service to effectively cover the community.

MOTION;
NO
SECOND

Mr. Brandt moved that the Board adopt the staff recommendation for holiday service--that no service be run this Christmas Day, but the possibility be studied in the Annual Route Review process for future years. The motion died for lack of a second.

Dr. Smith said he felt that the Board was being asked to do something charitable for the community, but the Board also has to be responsible to the community for the funds it spends. He wondered how charitable the employees would feel about providing the service without having to be paid so much. He thought that if the community was looking for a charitable thing to happen, it should come from the system rather than from the community.

Mr. Pusateri said he would like to see the District try to run some kind of minimal or skeletal service for this Christmas and New Year's and then evaluate it. If it didn't work, then the District would know it at least gave it a good try. Mr. Brandt said the service would work, but the first alternative, to run Sunday service, would cost \$6.50 per ride.

Mr. Runyan said he was inclined to make a commitment to operating some sort of transportation service in the service area every day of the

year. The question, however, was what kind of service would be offered. It was his inclination, he said, to offer Dial-A-Ride service this year and accept a commitment from this time on to offer service 365 days per year.

Ms. Loobey stated that the potential for a grievance for subcontracting out holiday service is clear, because the service has been provided in the past by District employees, in one form or another. The Union did not file a grievance for subcontracting Dial-A-Ride, but did when the District subcontracted service on a regular bus line. In that case, the District lost the arbitration. She added that the District recently won an arbitration for providing feeder loop service in Junction City, to tie into the regular service, which is service that has not been previously provided.

Mr. Brandt said he was not against holiday service, but he was suggesting that the District might be rushing into it now. He is not opposed to looking into it as part of the total package of service which LTD provides.

Mr. Runyan asked if the Union wanted to have 20 people employed on those holidays, and if that was desirable work. Ms. Loobey said it was desirable because it pays time and one-half, not because the employees specifically want to work on those days. There was some discussion about offering eight hours of service on Christmas day, which would cost approximately \$3,000, and then reviewing the service. Ms. Loobey informed the Board that those costs did not include administrative costs, and said that some administrative staff and maintenance employees would also have to work on the holidays. Mr. Brandt wondered how much consideration was being given to the employees who now have that day off. He stressed that he did not feel comfortable rushing into a requirement to cancel holidays to carry a few patrons. Tim Dallas, Director of Operations, stated that it would be the low seniority people who would have to work on the holidays.

MOTION

Mr. Brandt restated the motion that the Board not authorize service for Christmas Day in 1986, but that the possibility of offering holiday service in the future be studied in the Annual Route Review process this spring. Mr. Parks seconded the motion.

Dr. Smith commented that the Board had been given the alternatives of offering service with 20 buses or offering no service. Ms. Calvert stated that there would be a problem in letting people know they would have to walk farther to catch the bus in a different place if less service was provided. Ms. Loobey stated that staff would not have time to design different service and notify the public before Christmas.

Mr. Runyan wondered about using vouchers for riders during the holidays. Ms. Loobey explained that the District does not presently do anything with user subsidies or vouchers. Mr. Pangborn added that people could be qualified for a certain reason to use a voucher to ride a taxi,

bus, etc. The Committee for Special Transportation Fund monies for the elderly and handicapped is considering putting aside some of that money for that kind of program. The plan is not yet in place, however, and will probably not be until March or April. Negotiations with taxi companies, etc., have to take place first, and none of those issues have yet been addressed. However, he said, this kind of program could be considered for future holiday service. He added that staff have struggled with the issue of productivity versus the "safety net" for patrons.

VOTE

With no further discussion, the motion carried unanimously. Several Board members expressed regret at not being able to offer the service for Christmas Day this year.

Ms. Calvert said she hoped Ms. Hofer understood that she had the Board's sympathy and understanding for the plight of the people who depend on bus service, and that she wished the Board could have come up with some equitable service at this time. She stated that the request would be considered carefully for the future, and she thanked Ms. Hofer for her efforts.

ITEMS FOR INFORMATION AT THIS MEETING:

Downtown Transit Station: Included in the agenda packet was a letter from Mayor Obie, in reply to Ms. Calvert's letter on behalf of the Board which requested inclusion of criteria for a Downtown Transit Station in the Urban Renewal Plan update. Mr. Runyan and Ms. Loobey attended a City Council session on December 8. Mr. Runyan discussed a couple of issues raised at the meeting. First, he said, the City Council appeared to feel that LTD needs to specify a site as soon as possible, no matter if it is an urban renewal site or not, so they can include it in the Urban Renewal Plan update. He said the City Council has some blank places in the time schedule and budget for a transit station, and want a decision from LTD regarding these issues. Mr. Runyan told the City Council the District would probably try to make a decision in January. Mr. Parks wondered what would happen if the District offered three alternatives. Mr. Runyan thought they probably would not like it but would cope with it. He said the Council has the Butterfly Lot on one schedule, and had asked who would take the lead in working for that site. LTD indicated that the discussion would be between the County and LTD. Ms. Loobey said that if LTD did respond to listing alternatives by choosing one on urban renewal land, the City Council members would not like it and would be direct about that. She said they do not see a public development on any of their land as their mission. Mr. Runyan thought that might be the Development Department staff's perspective, but possibly might not be the City Council's perspective. Ms. Calvert commented that the City Council/Urban Renewal Board does not want buses in front of any buildings it owns, including Olive and the present site.

Mr. Runyan also mentioned City Councilor Debra Ehrman's concerns about the Board's statement and criteria about a jointly-financed project.

She wondered about the City Council's participation in the development of that policy statement.

Mr. Brandt wondered if the City Council had expressed any problems with long-range guarantees about a site. Mr. Runyan said they expressed no other reactions to the criteria. Mr. Parks wondered what would happen if the City made the District move from its present site, and both Mr. Parks and Mr. Brandt wondered about moving to Valley River Center or somewhere else where the bus service is really wanted.

Mr. Brandt stated that he does not want to rush into these decisions, and that it would take some time to think it out and develop. Ms. Loobey mentioned the need to plan carefully to obtain a site that will work for LTD and insure that the criteria are included in the Urban Renewal Plan. She added that if Willamette becomes as busy as Olive on 10th Street, the District will have accidents there, and that, even if the District could consolidate around Olive Street, it may not be good because of increased traffic on Willamette after it is opened the rest of the way.

County Counsel Bill Van Vactor had asked to be placed on the County Commissioners' agenda to talk about future legal actions for him and his staff. The City of Eugene has also put a lot of legal activity into this issue already. Ms. Loobey said she had explained the history of the issue to the County Commissioners that day. The Commissioners insisted on pursuing the issue of purchase or lease, and believe that LTD should have the legal responsibility for this issue, to determine how to go ahead. Mr. Brandt stated that the buyer is not usually responsible for the legal research to obtain clear title. Generally, the seller has to make that warranty. He thought the County was saying it didn't want to spend the money, but that LTD can. Ms. Loobey stated that most of the research has been done by County Counsel to this point, and that he has met with the District's attorney, Richard Bryson, who will draw his own opinions from the documents County Counsel has prepared. All three attorneys have acknowledged that there is a problem with the Butterfly Lot. Mr. Brandt asked if the Board had authorized anything past the point of determining if there is a problem. Ms. Loobey said staff were directed to do legal research on the acquisition of the Butterfly Lot, and that is what is being done. She said the issue came before the County Commissioners because County Counsel said he had fulfilled his responsibility in responding to County Administrator Jim Johnson's directive and was asking for more direction because he believed this process to be LTD's responsibility. Ms. Loobey said the legal work to determine the different options if LTD is to proceed with a downtown station on the Butterfly Lot still needs to be done. The Board's directive was that this procedure not exceed \$25,000.

Mr. Brandt thought it was ridiculous that the District was spending \$25,000 on this process, and Ms. Calvert said it seemed obvious that LTD needs to look at some of the privately-owned sites in downtown Eugene. Mr. Runyan said he was interested in the option of leasing the Butterfly Lot. Mr. Parks said that as long as the County owns the land, they just

have to justify that its use is in the County's interest. Mr. Pangborn stated that the River Road Transit Station is on a perpetual lease, for 20 or 30 years with renewable options, from the County.

Mr. Runyan also wondered about obtaining the right or ability to put a development on that site and making a three-way trade to the City; LTD would be able to use one-half block at Olive, and the County would not give up land. He said he liked the implications of thinking about options rather than a single site.

Budget Committee Appointments: Three Budget Committee appointments need to be made in the near future. Present Budget Committee members Dennis Strand, John Watkinson, and Roger Smith have terms which expire January 1, 1987. Board members can reappoint Budget Committee members, or appoint new ones. Mr. Parks stated that he would be reappointing Roger Smith. Mr. Runyan said he would let the Board know in January, and Dr. Smith mentioned that he had been contacted by someone who was interested in being on the Budget Committee. Mr. Pangborn stated that, since the Budget Committee will not meet again until April, there is some time to make decisions regarding these appointments.

Oregon Transit Finance Study: Ms. Calvert mentioned the note in the agenda packet about Ms. Loobey's and the Oregon Transit Association's continued work on the Oregon Transit Finance Study.

ITEMS FOR ACTION AT A FUTURE MEETING:

Land Acquisition: Mr. Parks asked if the Board members needed to study the options for land acquisition ahead of time. Mr. Viggiano stated that staff will have information available which will allow the District to choose a specific site. He said staff would consider the option of looking somewhere else in the community and what that implication is. Ms. Calvert mentioned the exhaustive study that was completed before the Glenwood Drive-In site was selected, but added that the Board wanted to have all the facts before them before they made a decision. Mr. Viggiano said the District would also want to make sure the initial cost estimates and justifications still stand.

Mr. Parks asked about the noise level problem at the Glenwood sites. Ms. Loobey stated that any development in that area has the potential for using the cushion for noise, and that it would be allocated on a first-come, first-served basis. Mr. Viggiano reminded the Board that there is only a problem with the noise level at night in that area, and future development in the area would not be restricted during the day.

Mr. Brandt mentioned the higher cost of land preparation at the Burlington Northern site. Ms. Calvert stated that an additional problem with that site is the railroad crossing, and the buses' ability to get off the site during certain times. Ms. Loobey stated that the land would settle over the life of the property, no matter how it was filled, and could cause problems with all the underground piping and tanks.

ADJOURNMENT: Mr. Brandt moved that the meeting be adjourned. After seconding by Mr. Parks, the meeting was unanimously adjourned at 9:50 p.m.


Board Secretary