MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, February 15, 1989

Pursuant to notice given to *The Register-Guard* for publication on February 9, 1989, and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held on Wednesday, February 15, 1989, at 7:30 p.m. at the Eugene City Hall.

Present: H. Thomas Andersen, Secretary
Peter Brandt, Treasurer
Janet Calvert, President, presiding
Keith Parks
Gus Pusateri
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Janice Eberly, Vice President
Rich Smith

CALL TO ORDER: The meeting was called to order at 7:35 p.m. with four members present (Brandt, Calvert, Parks, and Pusateri).

BUS RIDER OF THE MONTH: The February Bus Rider of the Month, Earl Steed, was not present at the meeting to be introduced to the Board.

EMPLOYEE OF THE MONTH: The January Employee of the Month, Bus Operator Jerry Reid, was introduced by Ms. Calvert, who said that he has earned his 14-year safe driving award. She told Mr. Reid that those who nominated him said that he was always courteous to the customers, and commented that his abilities had probably been put to the test during the recent snow and icy road conditions. After receiving his award and check, Mr. Reid said that all drivers appreciate these pats on the back, and that he thought everyone had done a terrific job during the bad weather. The Board members agreed, and thanked him for his service to the District.

APPROVAL OF MINUTES: Mr. Parks moved that the minutes be approved as distributed. Mr. Brandt seconded the motion, and the minutes were approved by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING: Because Mr. Andersen was not yet present, the Board decided to wait to hear the staff and Board Finance Committee presentation on two of the action items scheduled for the meeting.

Facility Project Update: Stefano Viggiano, Planning Administrator, said that there was not much to report, since the inclement weather had caused a delay in most of the construction work on the new facility. He added that staff would like to reschedule a tour of the new facility for the Board members at their convenience.

Snow Service Report: Ms. Loobey called the Board's attention to a staff memorandum on page 111 of the agenda packet, and said she would like to highlight additional aspects of the services offered by LTD employees during the recent snow and ice conditions, which lasted a little more than a week in certain parts of the city. She said that no morning pull-outs to begin service were missed, and that work in all divisions continued as normal, even the work which is performed outside in cold and ice during the night. Maintenance employees worked at 5th and North "B" in Springfield and in downtown Eugene keeping the bus stairwells free from ice. Buses were not washed during this time, since the bus washer is outside. As soon as the weather warmed enough during the days, some buses were washed during the day shift, but most buses are on the road at that time. The first priority for all employees was to take care of the customers. Field supervision was doubled out in the field, and staff were on the road beginning at 3:00 a.m. and all day until the 11:20 p.m. buses went back to the shop, checking road conditions throughout the system and radioing information to let the bus operators and customers have up-to-the-minute information about detours and road conditions. Bus operators were also on the radio constantly, asking to have other buses held at certain stops to wait for customers. The Customer Service Center (CSC) extended its hours in the morning and evening, and the CSC staff, which typically receives 800 to 900 calls a month, handled 11,000 calls during the snowy weather, voluntarily missing lunches and breaks to be sure the customers got the needed information. Administrative staff took overflow calls and provided route and detour information to the media. This was very important because conditions in some areas changed from hour to hour, such as whether the buses would travel over 30th or Franklin. During this time, all LTD employees were very concerned about making sure the customers got where they needed to go safely.

Ms. Loobey also talked about the service provided in the hills on minivans with chained tires, which was also explained in the staff memorandum, and about the positive response from customers.

Ms. Loobey said that the District has had an extraordinary service year, beginning with the increase in riders to 21,000 average weekday rides after the University of Oregon prepaid service was implemented, and increasing to 24,000 average weekday rides during the snow. The highest daily ridership was actually 26,800 one day during the snow.

Ms. Loobey stated that everyone felt the stress and strain of those times, especially the bus operators who were driving eight hours a day during adverse conditions, providing a service to the community. The District had received numerous telephone calls and letters about the snow service, most of which were very complimentary. Ms. Loobey gave the Board members copies of some of that correspondence.

Ms. Calvert said she rode the bus during the snow, and said she would like to have Ms. Loobey thank the employees for the extraordinary service they gave to the community. She said that these are the time when everyone wants and needs and expects a bus, and that LTD provided that service exceptionally well. Mr. Parks agreed with Ms. Calvert, and Mr. Pusateri asked Ms. Calvert if she could thank the employees at the awards banquet the following weekend.

Urban Mass Transportation Administration Triennial Review: Ms. Loobey said she wanted the Board members to have some sense of the scope and depth of the issues that the Urban Mass Transportation Administration (UMTA) would be examining with District staff for two days in February. Information included in the agenda packet described the kinds of information UMTA would be requesting and examining.

Legislative Agenda: Ms. Loobey briefly discussed with the Board some of the transit-related issues which will be debated in this legislative session in Oregon. She said the previous Monday was the last day to enter bills, and she had asked for certain bills to be sent from Salem for the Board's information, but they had not yet arrived. She said that Mike Holleran, Chairman of the Transportation Commission, would be pursuing a statewide tire and battery tax which would provide transit capital funding to make up the declining federal contribution and prior state funding for transit capital. It would require a constitutional amendment regarding vehicle registration fees.

The tire and battery tax would replace what Ms. Loobey labeled the "mystery money" from the State in the last two bienniums, which included one-time-only payments from lottery funds and stripper well funds. The Governor's budget did not propose any general fund moneys for transit capital. Ms. Loobey added that the tire and battery tax would include all surface transportation, not just transit.

A bill to increase the cigarette tax to two cents from the current one cent has also been proposed. These funds would be used for services for the elderly and handicapped.

Ms. Loobey said that Mike Holleran is also supporting Senator Glenn Otto's proposal for an extension of the payroll tax to include local units of government. Ms. Loobey said this would include cities and counties, but she did not know if school districts would be included. She explained that Glenn Otto views this as being consistent with the State in-lieu-of-payroll tax payments, and suggests that transit districts be given local authority to extend the payroll tax to local units of government. Mr. Brandt stated that he thought this was a good idea. Ms. Loobey added that when hearings begin in March, all these issues will begin "heating up."

Annual Employee Awards Banquet: Ms. Calvert called the Board's attention to the note about the awards banquet on page 8 of the agenda packet, and said it would be wonderful if all the Board members could attend.

Valley River Center Station: Micki Kaplan, Transit Planner, introduced Dick Hansen, Valley River Center (VRC) General Manager. She said that the Valley

River Station was being discussed as an informational item, and that no decision was being requested from the Board at that time.

Ms. Kaplan stated that District staff have been working on relocating the VRC station from the south side of the center because staff consider that location to be inadequate. VRC and LTD have been unable to agree on a location, however. At the November Board meeting, the Board approved the concept of moving to the north side of the Center and seeking joint funding. Traditionally, the District does share construction costs, with LTD providing the shelters and the business or agency paying for the flat work.

Ms. Kaplan said that the findings of the hearings official were included in the agenda packet. She stated that the hearings official did not find in LTD's favor, but did require VRC to make improvements to the station on the south side, so that the station would accommodate three buses instead of two, improve the passenger waiting area, and minimize truck, car, and pedestrian conflicts.

Ms. Kaplan stated that improving a station that is not in the District's long-term best interest could have some ramifications for LTD. She said that staff would be coming back to the Board in March for recommendations and action. She explained that some of the District's options are to let VRC make the improvements they need to make to meet the conditions set by the hearings officer; to make minimal improvements, or to make major improvements to the south side station.

Ms. Calvert asked if Mr. Hansen had any comments he would like to make. He stated that LTD and VRC had a well-fought battle, and now it was time to make some of those improvements. He said that Valley River Center is prepared to move forward, and has some suggested plans from the LTD planners, but cannot begin without approval to do so. He said that accommodating another bus could be done now, and whether the District wants to address other elements in additional stations could be addressed later. He said he hoped it would not require major discussions, and that LTD and VRC staff could work out the details.

Mr. Hansen said that Valley River Center loves the buses, and that it has been a long-term association which has always been favorable, and that VRC is looking forward to making those improvements.

Mr. Brandt asked if Mr. Hansen would like LTD to remain on the south side of the Center. Mr. Hansen said that the issue is where people can get in and out of the center the easiest. There is a mall entrance at that spot, and he believed it to be the most central location for the Center's customers. He added that the south side station takes the buses off the major traffic routes around the Center, and that he is very supportive of that particular location.

Mr. Brandt also asked if any of the stores on the south side, particularly Mr. K's Restaurant, had complained about LTD's station being located there. Mr. Hansen stated that Mr. K's had always done a good job of attracting bus riders. Mr. K's is no longer there, however. Mr. Hansen said that the Center had told the new restaurant, Tropani's Pasta, that the buses would be there, and he did not think they were unhappy about that.

Mr. Andersen arrived at this point in the meeting.

Ms. Loobey said that at a later meeting staff would have a recommendation about how the District should go ahead at Valley River Center. Mr. Pusateri asked a question about the background of the north side location, since he had not attended the November meeting. Ms. Loobey explained the process involving the City of Eugene planning process and the hearings official's ruling. Mr. Pusateri then asked if the District had any plans to add another stop at VRC. Ms. Loobey said it did not, to any major extent. She said that staff would like to have a stop by the Bon Marche because it is a major store.

Mr. Andersen asked if, with the exception of the location, the District got what it wanted, such as more bus bays. Ms. Loobey replied that it did.

<u>ITEMS FOR ACTION AT THIS MEETING</u>:

<u>BOARD FINANCE COMMITTEE RECOMMENDATIONS</u>:

<u>Five-year Service Plan</u>: Mark Pangborn, Director of Administrative Services, stated that three of the five Board members present had discussed this topic in some detail as the Board Finance Committee, so he would be directing his comments to Mr. Pusateri and Mr. Andersen. He stated that there were two main reasons for asking the Board to approve a Five-year Service Plan. First, the service plan is a guidepost used by the staff to set directions at the staff level. Second, a five-year service plan is now being required by the Urban Mass Transportation Administration, instead of the three-year plan the District has used in the past.

Mr. Pangborn said the service plan has been a good planning document for staff, but that it is important to keep in mind that it is just a plan. The Board will be required to take a number of actions each year on elements of the plan. He said that the plan gives staff a direction to head in each year, but actual recommendations will be made to the Board each year, particularly if the assumptions which the plan is based on change.

Mr. Pangborn said that the first consideration in developing the plan is service; everything the District does is designed and driven by service considerations. The proposed plan for service was included on page 29 of the agenda packet for that meeting. Mr. Pangborn explained that the proposed plan included the actual proposed service for each of the next five years, and a draft service policy for the Board's information. Staff were not asking the Board to approve the policy at that time; they would be returning to the Board for approval at a later meeting.

In discussing the proposed service plan, Mr. Pangborn stated that staff included an average service increase of 2.1 percent per year. However, the increases do not total 2.1 percent each year; that level depends on whether weekend or peak hour service is added, etc. Mr. Pangborn explained that staff and the Finance Committee had actually looked at two options for service increases, based on a 3.6 percent or 2.1 percent average yearly increase. Because the 3.6 percent increase would require increasing the payroll tax rate, the Finance Committee had recommended the 2.1 percent increase.

Increases for FY 89-90 were recommended at 1.3 percent, and included increasing the frequency on the Fox Hollow route, which primarily serves the University of Oregon. An increase of 2.8 percent is currently recommended for FY 90-91, and includes increasing service on Hilyard during the peak hours, on the downtown shuttle, and to the Springfield/Gateway areas. In 1991-92, an increase of 4.1 percent is recommended, including increases in the Harlow/Gateway area and Sunday service to Bethel/Danebo. In FY 92-93, an increase of only .6 percent is being recommended at this time. This increase would include added Sunday service in Springfield, an express route to South Eugene, and a Sunday downtown shuttle.

Mr. Andersen asked why staff were recommending waiting until 1991-92 to increase service to Bethel/Danebo. Mr. Viggiano replied that it was staff's best guess that at that point the demand will be great enough to have an increase to half-hour service on Sundays. He said that staff may decide later that this increase should be made at a different time. Mr. Pangborn added that assumptions have been made about how many people will use the service, and that service increases for individual years may change around, but the 2.1 percent average will not.

Mr. Pangborn also stated that these increases assume business as usual and that the community is over its surge and growth will be more steady. Based on L-COG projections, population is expected to grow 2 percent, and employment is expected to grow 2 percent. The Lane Council of Governments (L-COG) projections are 2 percent for both, however.

One of the most important assumptions in the service plan, he said, is the payroll tax, which amounts to 60 percent of the District's operating budget. The annual growth of total payroll in the community has been between 6 percent and 7 percent. Staff studied a sophisticated L-COG payroll projection model. The figures vary from year to year, but the average for five years is 5.9 percent, similar to LTD's 6 percent on the chart in the agenda packet.

For farebox revenue, Mr. Pangborn said, the assumption is that it will increase equal to inflation, and growth in ridership is added in. It is anticipated that federal funds will continue to decline an average of 8 percent annually.

Schedule hours and operating expenses have increased. Risk Management's five-year average is 13 percent of the operating budget, but it has been at 9.5 percent for the last three years, and staff are assuming they can lower that figure to 6 percent. Inflation has been included at 4 percent for all the District's costs.

Mr. Pangborn then discussed Option 5A, found on page 25 of the agenda packet. Service increases from the Five-year Service Plan were costed out for every subsequent year. The direct costs are directly attributable to the cost of putting the service on the road (drivers, etc.), and have been inflated by 4 percent. Service increases are inflated because the service added in one year is kept in subsequent years, and more is added, for a cumulative effect in the following years.

Facility maintenance costs are expected to increase in the new facility, since it is built for the next 20 years and allows for expansion. There is more floor space, more janitorial and landscaping service will be required, etc. For the first half-year, those costs are expected to be approximately $40,000. The District will need to add at least one additional staff member, a receptionist, which Mr. Pangborn said he originally budgeted this position at $22,000, which was questioned by the Finance Committee. He said staff would be looking at this more carefully before having the classification approved by the Board and making a budget request.

Mr. Pangborn said that the District should be able to sustain a 2.1 percent average service increase over the next five years because a positive balance is anticipated in those years. The balance is expected to be significant in the first couple of years, and diminishing after that.

The payroll tax rate is currently at .49 percent, although the Board has the authority to collect at a rate of .6 percent. Mr. Pangborn called the Board's attention to a chart which showed that additional .11 percent as a cushion. He said that if the District faced a deficit from the loss of federal funds, for example, one option could be to raise the tax rate.

Mr. Pusateri asked why the payroll taxes were projected at an 8.2 percent increase next year and leveled off after that. Mr. Pangborn explained that staff believed that a fairly conservative projection for annual growth in the payroll tax would be about 6 percent a year. L-COG used the State Economic Projection numbers to project the 8.2 percent peak next year for growth in the state's economy, and to project lower growth after that. The projections average 5.9 percent, but are front-end loaded. If a straight 6 percent figure is used, it results in deficits in following years and does not follow projected growth levels.

Mr. Pangborn said staff had received the third quarter payroll tax collection notes that day, and that the third quarter of FY 88-89 is 11 percent greater than the third quarter last year.

Mr. Andersen wondered where the FY 88-89 excess of $522,000 showed up in the following year's budget. Mr. Pangborn explained that the proposal is to put it in capital reserves, and said that this is not a cumulative total from year to year. Ms. Loobey added that it has been the District's practice for the last five or six years to make a planned contribution to the capital reserve fund, and if at year-end there was money that exceeded expenses, that has gone into capital reserves as well. She added that this money has allowed the District to reduce taxes and still build the facility.

Mr. Pusateri asked about the expectation for sufficient funds at first, with those depleted later, in 1992-93. Mr. Pangborn said the Board will have to examine that issue as the time gets closer, and that it will be harder to address the District's capital needs in the future.

Mr. Andersen stated that if less than a 4.1 percent service increase was made in 1991-92, the expenses would be less. Mr. Pangborn agreed, stating that the Board will have to make a decision each year as to what will make sense for that year.

Mr. Pangborn said that the real costs for capital are included in the Capital Improvements Program (CIP). For the next five years, the individual years are costed out, and then costs are shown in five-year increments for the next 20 years. He discussed this year's significant capital costs, which include passenger boarding improvements, the new facility, and almost $1.9 million which was budgeted for 12 new buses for fleet expansion. He said this expansion has been in the CIP for several years, and that the District should be receiving buses this year but is not, because of previous concerns about meeting the costs of the new facility.

Mr. Pangborn discussed the recommendation to purchase 25 buses in the next two years, including 15 expansion buses and 10 replacement buses, to replace half of the 20 500-series buses, the oldest in the District's fleet. He said that staff and the Finance Committee had considered an option to replace of 20 of the 500-series buses, but that would create a deficit in the budget. Another consideration in the timing of bus purchases is proposed Environmental Protection Agency (EPA) regulations, requiring transit buses to meet new pollution standards by January 1991. All engine manufacturers have said that they cannot meet that time line, but could meet the deadline for truck engines in 1994.

Mr. Pangborn discussed the proposed expenses for bus purchases, and stated that if federal funds are subtracted from expenses, the resulting negative balance is what has to be paid locally. He said the District needs to come up with $689,000 in 1990-91, but for the next two years, the District will have excess revenues over expenditures. If payroll tax revenues are very strong this year, it is possible that there will be additional revenues over expenditures this year, as well.

If LTD does not receive $522,000 in FY 89-90, some decisions will have to be made, such as whether or not to use available, uncollected payroll tax moneys.

Tim Dallas, Director of Operations, pointed out that of the 15 expansion buses, the District has already expanded by seven with the purchase of the used Tri-Met buses to handle overloads this year. Those buses were manufactured in 1970 or 1971 and are not lift-equipped. They were bought on a temporary basis, until expansion buses could be purchased.

Mr. Pusateri asked what would happen to the ten 500-series buses being replaced. Mr. Pangborn explained that 10 buses would be put in a reserve fleet, which LTD does not now have, in the eventuality that they are needed. He said LTD may end up selling them, but would hold them as long as there was a place to park them, until it is clear that they are not needed.

Ms. Loobey stated that with the District's average ridership growth in recent years, 10 reserve buses would give LTD additional capacity for overloads, etc. The total order of 25 buses is a good order, she said, and would allow economies of scale for ordering a number at one time.

Mr. Andersen wondered if LTD's bus order could be pooled with another transit district's order. Mr. Pangborn explained that this could be done, but that buses are a custom-made piece of equipment and specifications are written to meet the individual transit district's needs. He said it would be rare that two transit districts would write the same specifications. Also, it is desirable to maintain some consistency with the rest of the fleet, if possible. Mr. Dallas added that staff want to write the specifications to get what the District needs but not make it so exotic that it drives up the price of the bus.

Mr. Pusateri asked if handicap access is an accessory. Mr. Pangborn stated that the new buses would be lift-equipped, and that a new federal ruling has said that all new buses will be lift-equipped, so lifts are not considered accessories. He said that LTD has purchased lift-equipped buses in the past because of District policy. Ms. Loobey added that accessories include fareboxes, overhead destination signs, etc. Ms. Calvert said that the cost of $10,000 for each lift is included in the total cost.

Mr. Brandt moved that the Board adopt the Five-year Service Plan as included in the agenda packet for that meeting, including estimates for 2.1 percent average annual growth in service. Mr. Andersen seconded the motion. With no further discussion, the motion was approved by unanimous vote.

Grant Application for Federal Section 3 Funding:

In discussing the District's grant application for Section 3 funds, Mr. Pangborn handed out a revised page 54 for the agenda packet, which added $150,000 for associated equipment for the buses. He explained that when the District purchases buses, it also buys a couple of spare engines and transmissions so those components can be exchanged and repaired without keeping a bus out of service too long. Mr. Pangborn added that the District's estimates for bus costs may be high, and that UMTA may award less money in the grant.

Mr. Pangborn said that this application is to apply for Section 3 funding of approximately $1.8 million for buses. He explained that the District needs to begin the process immediately because there is a lead time of at least one to two years for grant approval and ordering buses. This lead time is especially important in light of the 1991 deadline for the new EPA regulations.

The State of Oregon has committed Section 18 funds for the purchase of up to three buses, which should help the District secure Section 3 approval.

Public Hearing on Application for Federal Section 3 Funds: Ms. Calvert opened the public hearing on the District's application for Federal Section 3 funding to purchase buses. There were no comments from members of the audience, and Ms. Calvert closed the public hearing.

Board Action: Mr. Brandt moved that the Board approve the 1989 federal Section 3 grant application and authorize the General Manager to submit the appropriate paperwork to the Urban Mass Transportation Administration. The motion was seconded are carried by unanimous vote.

FISCAL YEAR 1989-90 PRICING PLAN: Mr. Viggiano discussed the proposed pricing plan for FY 89-90, found on page 55 of the agenda packet. He explained that two sections were included: (1) recommendations for changes to the fare structure of FY 89-90, which were included for action that evening; and (2) a five-year pricing strategy, which was included for the Board's information and not for action. He stated that the recommendations were based on the fare policy that the Board had adopted four years ago. He added that the pricing plan is brought to the Board before the budget process so the assumptions in the plan can be part of the budget process.

Mr. Viggiano said that the goal of the pricing plan is to keep pace with inflation and to keep the changes small and incremental, and to not wait a long time between changes. Price increases are alternated between passes and tokens and cash. He discussed current economic trends and what changes LTD has made in the price of fare instruments in recent years. He explained that when sales are down in one instrument, it does not mean that those people are not riding; rather, they may switch to another fare instrument which is more economical for them.

Mr. Viggiano discussed the recommendations for FY 89-90. He said that the pass price has not been increased since 1983-84, but cash has increased 18 percent in that time. Staff were recommending that the pass prices increase 5 percent this year, and that the resulting differential between pass prices and tokens and cash prices be maintained in subsequent years.

Mr. Brandt asked why a net ridership loss of 20,000 was anticipated. Mr. Viggiano replied that this is actually a small figure, because pass riders take 1.4 million person trips per year. The 20,000 figure includes many assumptions, he said, and explained that fare elasticities are an accepted principle in the industry. Mr. Brandt asked how the 20,000 ridership loss converted to dollars. Mr. Viggiano said the proposal resulted in about $26,000 in net additional revenue.

Mr. Pusateri asked if there was any move to include Lane Community College (LCC) in the same type of prepaid fare program that the UO has. Mr. Viggiano said that several years ago staff were debating whether to approach the UO or LCC, and decided to contact the UO first. Some people at LCC have now requested the same kind of program. However, because the District carries more riders to LCC and because one of the concepts of the program is that fees will compensate the District for lost farebox revenues, LCC students would have to pay about $10 per term each in order to make the program revenue neutral. Also, LTD does not now have the fleet available to add service. Mr. Pusateri remarked that he thought this type of program would be extremely popular in future years, as the buses are available. Mr. Viggiano said that staff also plan to approach employers.

Ms. Calvert said she was curious to see if the 100 or so cars at the fairgrounds still use the District's service after the Sacred Heart Hospital parking structure is built. Ms. Loobey thought it would depend partly on how the parking would be priced. Mr. Viggiano added that the early trips from the fairgrounds are usually to Sacred Heart, and later trips are usually to the UO.

Mr. Andersen asked Ed Bergeron, Marketing Administrator, how the fare increase would be marketed. Mr. Bergeron answered that it would be handled mostly as information. He explained that since the District has had the policy of small incremental increases in small segments of the fare structure, there has been little negative impact or protest from riders, and marketing has just been a matter of letting people know about the changes. Mr. Andersen then asked about the notification process. Ms. Loobey replied that federal regulations require 30 days' notice regarding the public hearing, and state regulations require the distribution of agenda packets to local media.

Mr. Viggiano then discussed a second recommendation, which is not to change the price for the UO prepaid program next year. He explained that staff believe that they overestimated the revenues that were previously being received from UO riders, and UO enrollment is higher than projected, which is one of the reasons revenues will be up about 12 percent. Staff were suggesting that this price be left alone this year and reviewed in later years.

Referring to page 59 of the agenda packet, Mr. Viggiano said that staff would recommend an increase of 25 cents in UO passes in September 1990, in order to keep pace with inflation. Mr. Pusateri asked about the figure showing 56,000 students at the UO. Mr. Viggiano replied that this is a total for four quarters. He added that the UO recommendation did not require Board action.

<u>Public Hearing on FY 89-90 Pricing Plan</u>: Ms. Calvert opened the public hearing on the staff's recommended pricing plan for Fiscal Year 1989-90. Hearing no comment from members of the public, Ms. Calvert closed the public hearing.

<u>Board Action</u>: Mr. Parks moved that the Board increase the price of passes 5 percent as of July 1989, as recommended by staff. Mr. Andersen seconded the motion. There was no further discussion, and the motion carried by unanimous vote.

<u>FISCAL YEAR 1898-90 GOALS AND OBJECTIVES AND ACTION PLANS</u>: Ms. Calvert stated that the District's goals and objectives are the basis for actions of staff in the future. She introduced MIS Administrator Joe Janda, who said that two pieces of information had been included in the agenda packet. First, the proposed FY 89-90 Goals and Objectives were included for Board discussion and approval. Second, the division action plans, which detail the activities by which staff will work toward those goals and objectives, were included for the Board's information. Mr. Janda explained that the Goals and Objectives and Action Plans are developed yearly at this time and provide direction to staff as the budget is prepared for the following fiscal year.

Mr. Janda also called the Board's attention to a proposed mission statement for the District. After some discussion, he said, staff had decided that a mission statement should be internally focused rather than providing information about the District to the public. It is staff's intent, then, that the proposed mission statement act as a motivator for employees. The key terms in the statement are "customers" and "community satisfaction," which are meant to include the non-riding public, the environment, governmental agencies, etc., and "excellence," which includes excellence of transit service and excellence as a government agency within the community.

Mr. Janda went on to explain that there are seven major goals which focus on customer satisfaction, ridership, internal efficiency, capitalization, and the new facility. A general, broad goal statement is made, and then key objectives that address that goal statement are provided. To highlight a few of the goals, he said that restoring 100 percent accessibility is tied in with the process to purchase new buses; and a four percent gain in productivity is being made in conjunction with the service goal. Additionally, in writing a new goal regarding the move to the new facility next fall, the District is recognizing that this will be a major activity from now on. The division action plans articulate specific plans to help the District meet these overall goals and objectives.

Mr. Brandt moved that the Board adopt the proposed Goals and Objectives for Fiscal Year 1989-90. After being seconded by Mr. Parks, the motion carried by unanimous vote.

BUDGET COMMITTEE APPOINTMENT: Ms. Calvert explained that the term of Rosemary Pryor on the Budget Committee had expired, and that Mr. Andersen had been asked to name a replacement. Mr. Andersen said that he had talked with Ms. Pryor, the current Committee Chairperson, who said that she is interested in serving again. He moved that the Board approve the nomination of Rosemary Pryor as a member of the Budget Committee, beginning immediately and ending January 1, 1992. Mr. Parks seconded the motion, which then carried by unanimous vote.

TOUR OF NEW FACILITY: The Board members present decided to meet at the new site in Glenwood at 5:00 p.m. on Wednesday, March 15, prior to the regularly scheduled Board meeting, for a tour of the new facility. After the tour, the Board will have dinner together at a local restaurant and then attend the Board meeting at City Hall.

QUARTERLY PERFORMANCE REPORT: Mr. Brandt asked about the chart showing University of Oregon ridership on page 124 of the packet. Mr. Janda explained that over the last several years, ridership has been increasing as the community population has grown. The total ridership figure for 1987-88 included some UO ridership, so the comparison on the chart is more clear when looking at UO and "other" ridership combined. Mr. Viggiano added that "other" rides went from 310,000 to 330,000, or a 7 percent increase, which is substantial in itself. Actual UO ridership last year was not kept separately, and was derived from information collected on surveys.

ADJOURNMENT: With no further business, the meeting was adjourned at 9:30 p.m.

H Thomas Andersen

Board Secretary