

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, March 21, 1990

Pursuant to notice given to *The Register-Guard* for publication on March 15, 1990, and distributed to persons on the mailing list of the District, the regular meeting of the Board of Directors of the Lane Transit District was held on Wednesday, February 21, 1990, at 7:30 p.m. in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: H. Thomas Andersen, Secretary
Peter Brandt, Treasurer
Janet Calvert, President, presiding
Tammy Fitch
Herbert Herzberg
Thomas Montgomery
Keith Parks, Vice President
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent:

CALL TO ORDER: Ms. Calvert called the meeting to order at 7:30 p.m., and welcomed everyone to the first meeting held in the LTD Board Room at the new maintenance/administration facility.

BUS RIDER OF THE MONTH: Ms. Calvert introduced the February Bus Rider of the Month, Wanda Parazoo, who had been riding the bus since the days of the "Green Meanies." Ms. Calvert presented Ms. Parazoo's award to her, and thanked her for her continued ridership and for being such a positive rider.

The March Bus Rider of the Month, Phyllis Nelson, was not present to receive her award.

EMPLOYEE OF THE MONTH: Ms. Calvert then introduced the March Employee of the Month, Bus Operator Robin Glore. She said this was a special honor for Robin, since he was the first employee to be named Employee of the Month for a second time. Fellow employees and bus riders had described him as a person who goes out of his way to help others. Ms. Calvert also remarked that Robin had been employed by LTD for almost seven years, and during that time has had no preventable accidents. She then presented him with his check, certificate, and letter, and thanked him for a job well done.

SPECIAL PRESENTATION BY WOMEN'S TRANSPORTATION SEMINAR: Ms. Calvert introduced Denny Moore, Oregon's Public Transportation Administrator, and June Carlson, President of the Women's Transportation Seminar in Portland, who were there to make a surprise presentation to the General Manager. Ms. Carlson explained that the Women's Transportation Seminar is a national organization,

created in 1977 to assist women with professional interest in transportation. The Oregon chapter is located in Portland, and is in its sixth year. The organization offers monthly seminars and a quarterly newsletter. Ms. Carlson was there that evening to convey the award of "1990 Woman of the Year" to LTD's General Manager, Phyllis Loobey, who had been unable to attend the awards banquet in Portland. Ms. Carlson commented that Ms. Loobey was well-known throughout the state and nationally for her professional style and zeal, as well as for her accomplishments as the General Manager of LTD, and in promoting transit issues with the 1989 Oregon Legislature.

Ms. Calvert thanked Ms. Carlson and Mr. Moore for coming to Eugene to make the presentation.

AUDIENCE PARTICIPATION: Ms. Calvert asked if there were any members of the audience who wished to make comments to the Board. Leroy Wells introduced himself as a bus driver, and said he was disturbed about the proposal to cut service to the people on Jessen loop. He had read a notice posted on a bus stop sign and, in his opinion, two things were faulty with that notice. First, he said, was the claim that there is one rider per trip. He said the buses run from 6:30 a.m. to 5:30 p.m. He had spoken to another driver on that route, who said she carried 12 to 15 people on her four trips, and he carries the same average, or between 24 and 30 people on eight trips. According to the staff notice, however, that total shouldn't be more than eight.

Mr. Wells said the route was considered to have poor ridership because it didn't have 30 riders per trip, but a lot of other routes would have to be cut back too, based on that standard. He said he did not believe LTD should cut the service to those people in the Jessen area, because they are between one and one and a half miles from the nearest bus stop at Barger and Highway 99. He knew of one woman who already walks from Clear Lake Road to Jessen, and this change would mean an additional mile for her to walk to catch the bus.

Mr. Wells said he didn't think the Planning division was being fair to those people; taking a portion of this route and saying it was due to poor ridership. This area is close to the end of the line, where there isn't the same kind of ridership that there is closer to downtown. He wanted the District to give the Jessen area another 18 months to see if ridership improved in that time. He said he is there to serve the public, and is not interested in statistics; rather, he is interested in the people who get on and off the buses.

The second speaker was Marge Brey Jones, who said that when she heard about the service being taken away, she was desperate, so she got signatures on a petition to keep the service from everyone on the bus, and then took the petition to Highway 99. She collected over 100 signatures, over half from people who use that bus, and heard personal stories from people who were sad to lose the bus service. She added that people really want that service.

Ms. Calvert said that the testimony she was hearing actually belonged in the public hearing related to the Five-year Service Plan, so the Board would

move this item forward on the agenda. She asked if there were comments of a general nature from the audience. Hearing none, she closed this portion of the meeting.

MOTION **APPROVAL OF MINUTES:** Ms. Fitch moved that the Board approve the minutes of the February 21, 1990, regular meeting as included in the agenda packet.
VOTE Mr. Montgomery seconded the motion, and the minutes were approved by unanimous vote.

1990 ANNUAL ROUTE REVIEW AND FIVE-YEAR SERVICE PLAN: Stefano Viggiano, Planning Administrator, stated that this year the Annual Route Review (ARR) was incorporated into a Five-year Service Plan, similar to the Capital Improvements Plan and the Pricing Plan. The first year of the plan was presented for Board approval; years two through five were presented for the Board's information as a planning document.

At the last meeting, staff had mentioned that the emphasis this year was in trying to relieve tight routes and alleviate some of the concerns expressed by bus operators. The problem of tight routes had become incrementally worse over time, as traffic congestion and ridership increased and buses were making more stops. In some instances, he said, this has become a fairly acute problem.

Mr. Viggiano called the Board's attention to the summary of changes for FY 90-91 on page 34 of the agenda packet. The biggest change was in the #28, #23, and #1 routes, which resulted in over half of the net increase in service hours which were proposed. The total recommended increase in service hours was 4,329 hours, or a 2 percent increase in service.

Staff were proposing that the #4 and #5 Willard-Jefferson morning and afternoon school trips be deleted, because this is service that would be provided more appropriately by the school district buses, which are equipped with flashing lights for safety reasons. School service is also difficult for LTD to provide because of changing hours, depending on the school schedule.

Mr. Viggiano used a slide of the system map to show the Jessen neighborhood, which is bounded by Barger, Beltline, and Highway 99. The only access to this neighborhood is from Highway 99. In studying this service for deletion, staff were responding to complaints from drivers, especially in the afternoon, who could not make their transfers at the mall between 2:00 and 5:00 p.m. Staff considered a number of options to try to shorten the route. Passenger counts, taken on three separate days, showed that seven to 10 people per day were riding from the Jessen area. Also, bus operators who drove the route before Mr. Wells began driving it were asked to estimate ridership in January, and came up with similar totals.

Mr. Viggiano said staff did not mean to minimize the Jessen area's need for bus service; those people who did ride were fairly loyal bus riders and fairly isolated. They would be able to ride the #53 Junction City bus, but it only runs sporadically through the day. He stated that ridership on the

Jessen portion of the route was not what staff expected it to be, since that portion was added in response to a neighborhood petition for service.

Mr. Viggiano said that staff expect that some day the field to the south of the neighborhood will be developed and there will be better access to the neighborhood. In the meantime, the vast majority of the system's riders live closer to town, and the planning staff saw the need to help them make their transfers.

Mr. Viggiano said that detailed information on the other service proposals was included in the agenda packet, and he would answer any questions from the Board about it.

Ms. Fitch asked if time had to be added to routes in 15-minute increments. Mr. Viggiano replied that it did, and said the Jessen route was already a one-hour route. The only route which was lengthened in the proposal for FY 90-91 was the Harlow, which runs more often than the Jessen route, which only runs every half hour.

Mr. Andersen asked some questions relating to the issues Mr. Wells raised. First, he wondered how many drivers in the system actually drive the Jessen route. Mr. Viggiano thought that eight to 10 operators would drive that route in the course of a week; some may only drive one trip during that time. Mr. Andersen then asked about the methods used to count the riders. Mr. Viggiano explained that Automatic Passenger Counters (APCs) were used over a three- to four-day period to find the average number of riders. These counts were taken in the period from September through November. Additionally, forms were used to ask drivers how many passengers they picked up each day. The driver counts were taken in January, and asked the drivers to look back on the past three months to find an average number of daily riders. Mr. Viggiano said that the APC and driver counts matched for that period of time. Mr. Andersen also asked how many people had signed the Jessen petition 18 months ago. Mr. Viggiano thought it had been signed by about 60 people.

Mr. Montgomery asked how long the APC sampling had run. Mr. Viggiano explained that over the course of a three-month period, that route was sampled three to four times, for a total of 30 to 40 trips.

Mr. Brandt asked how long it took to drive in and make the Jessen loop. Mr. Viggiano replied that it took eight to 10 minutes from Barger and Echo Hollow. Mr. Brandt then asked what would happen if the bus made a loop by there on Highway 99. Mr. Viggiano said that would be a fairly large loop in a neighborhood, which would entail other service implications. Mr. Brandt wondered about just traveling on Highway 99 and asking the Jessen people to walk there. Mr. Viggiano said the bus would still have to turn around somewhere, and that the part of the route going into the Jessen neighborhood actually only takes about one or two minutes. Mr. Brandt asked if deleting this part of the service was supposed to free up 15 minutes. Mr. Viggiano said it was expected to save about eight minutes per trip, so it would virtually guarantee that trips would be on time to make their transfers in downtown Eugene.

Mr. Andersen asked if the District had heard complaints from riders about missing transfers. Mr. Viggiano said the complaints had come from bus operators, who usually hear the complaints first from the passengers.

Mr. Viggiano added that he was told that the City of Eugene owned the vacant lot to the south of the Jessen neighborhood. He had asked them when they expect to develop that lot and what they planned to do about a road in that area. There was no answer yet, but the City will let staff know.

Mr. Andersen asked if there was no cost implied in this deletion because the consideration was to make the system run according to schedule. Mr. Viggiano said there would be no change in service hours, computed at \$28 per service hour; however, there would be some small savings in fuel and bus maintenance for driving a shorter distance.

Public Hearing on Proposed Service Changes for Fiscal Year 1990-91:

Ms. Calvert opened the public hearing on the proposed service changes for Fiscal Year 1990-91. She said the testimony received earlier regarding the Jessen area service would be considered as part of this hearing process, and asked if there were additional comments from the audience.

Greg Nelson, of 4126 Jessen, Eugene, stated that he was a graduate student at the University of Oregon and rode the bus to the UO. He said that sometimes the route is a little slow, but that most of the slowdown is when the bus gets to 8th Avenue. He had been riding at 7:30 a.m. and usually got to the mall between 7:58 and 8:02 or 8:03 a.m., depending on the driver, the weather, and the people getting on and off the bus. He said that by the time the bus leaves Jessen Loop at 7:30 a.m., there are at least three people riding, and they return later in the day. He said also that walking across the field to Barger and out to 99 is unrealistic, and that there are several people in the neighborhood who do ride the bus regularly.

Mr. Nelson said this was not like moving a route in another part of town, because this one cuts out the entire area. He said there are two developers in the area, and supposedly a road will go through to the Jessen neighborhood in a year or so, but until that time, he felt that the current routing was needed.

Mr. Wells spoke again. He proposed an alternative to save time on the route. From his experience, he said, driving since the latter part of January, was that the bus brings a couple of people a couple times a day to the Echo Hollow Plaza. He said he did have to fight to drive the route on time, but said he had left the Jessen area as much as seven to eight minutes late and, with rare exceptions, had been able to make up the time.

Mr. Wells said the bus goes outbound across Marshall and takes a right on Taney (a new street), and right on Barger, then left on Highway 99 into the Jessen Loop area; makes the loop, and goes to Echo Hollow. He suggested that rather than taking Taney, someone going to the Echo Hollow Mall could ride around that loop on the bus, which would save some time and would not take

the service away from the Jessen Loop area. He said he had one rider with two small children and no other transportation who took a house in that area with the understanding that the bus would be there. Also, he said, there were several UO and LCC students and working people who were taking the bus daily. He said he saw no reason to cut the service from those people at this time, but if the District could cut the route somehow to save time, that should be done.

Mrs. Jones presented the petitions to the Board, and stated that a lot of people who had signed the petitions would even like to see the bus go beyond the Jessen area.

Ms. Calvert read a letter concerning routes #14, 12, and 15, in which the writers were concerned about having to walk along Laura Street in Springfield. Mr. Viggiano said that stop was in a dirt and mud area, and Ms. Fitch said there were no sidewalks. Mr. Viggiano explained that the letter writers were suggesting that the bus go through what used to be called the Ashlane Apartments. He said staff had been concerned that the bus would not have time to make that longer trip, but by making the change in the #12 to serve the Springfield Mall, the #14 could be cut back a little, and the problem could be addressed with the #14. Mr. Parks asked if there would be any budget impact associated with doing so. Mr. Viggiano replied that there would not.

There was no further testimony, and the public hearing was closed.

Board Deliberation and Decision: Mr. Brandt asked if Mr. Wells' proposal made sense. Mr. Viggiano said that it was plausible, and that the Planning division could look at it to see if it would work. He said the proposed Jessen change did not have a budget impact, so did not need a final decision until late spring. He explained that the Annual Route Review was timed so that staff could make budget projections based on the service changes.

Mr. Viggiano said he sympathized with the Jessen residents, and suggested that staff review the situation and Mr. Wells' proposal, as well as other alternatives. An employee committee had reviewed the original Jessen proposal, which had originally been suggested by a driver, and they should have the opportunity to review new alternatives.

Ms. Fitch asked what would happen if staff decided that 15 minutes should be added to the route and a cost were associated with that. Mr. Viggiano said that staff would have to come back to the Board, but stated that staff would be looking for a no-cost solution because of the limited ridership in that area. Ms. Fitch asked when a decision would be made. Mr. Viggiano said staff would bring this issue back to the Board in May or June.

MOTION

Mr. Brandt moved that the deletion of service to the Jessen neighborhood be deleted from the proposed service changes for FY 90-91, and that service be continued as it is currently run, and that staff attempt to find a way to eliminate some time off the route. Mr. Parks seconded the motion.

Mr. Montgomery asked if current ridership counts would be taken. Mr. Viggiano said that they would.

VOTE There was no further discussion, and Mr. Brandt's amendment carried by unanimous vote.

Mr. Brandt then said he would like to know more about routes 28, 23, and 1, which would add a cost of about \$77,000, and the #12 Harlow, which would add another \$54,000. He wondered what the District would be accomplishing with these changes. Mr. Viggiano explained that the #28 is now a peak hour bus, but would be made a full route. It will travel between downtown Eugene, the UO, and Amazon Parkway. The primary cost would be the addition from a partial to a full route. It would add equivalent service in the Amazon neighborhood as is now in the Fox Hollow/Donald neighborhood. Also, with the changes in the #28, a portion of the Downtown Shuttle could be eliminated. The #23 Fox Hollow has the biggest problem with scheduling, and runs consistently late all day. The new route would cover Hilyard between 24th and 30th Avenues, so that part of the Fox Hollow could be eliminated and the #23 could use a faster route.

The #12 Harlow travels from downtown Eugene out Coburg Road to Harlow to Gateway to Hayden Bridge to the Mohawk area to downtown Springfield. It is really like two routes, and has a lot of problems with running time, which staff have tried to correct with small changes. Increasing the #12 to an hour and 45 minutes rather than the current hour and a half would allow this route to serve the new Gateway Mall, Oakway, and the Springfield Mall. Mr. Brandt asked if adding the extra 15 minutes was what added the extra cost. Mr. Viggiano said that was correct; the extra time would be added only during the day, since there was less traffic in the evening, but that adding 15 minutes to every trip during the day did increase the cost.

MOTION Mr. Brandt moved that the Board approve the proposed service changes for Fiscal Year 1990-91, including the amendment made to eliminate the deletion of Jessen service from the proposal. The motion was seconded and carried by unanimous vote.

VOTE

Ms. Fitch asked if staff would notify the Jessen residents when the issue of service to their neighborhood would be discussed again. Ms. Loobey said they would.

SECTION 18 GRANT APPLICATION FOR THREE ADDITIONAL BUSES: Mark Pangborn, Director of Administrative Services, reviewed the previously approved Sections 3, 9, and 18 grant applications to purchase 25 new buses. The Section 18 grant will purchase approximately three of the 25 buses. When the District initially applied for Section 18 funds from the State in 1988, funds for six buses were requested. At that time, the State had only enough money to support the purchase of three buses. Now, however, the State has received additional federal revenues and staff were recommending that the District request Section 18 funding for the additional three buses which were not funded in the first request.

Mr. Pangborn explained that these funds are on a 90/10 match, meaning that LTD would have to provide only a 10 percent match to receive the State funds. He stated that this would be an excellent way for the District to replace some of its old buses.

The District would know by the end of April whether or not the grant application was approved, and could add the three buses to the original order for 25. Mr. Montgomery asked if there were a possibility that LTD would not be able to add those extra three buses to the order in time to avoid the new federal regulations on diesel engines. Mr. Pangborn replied that the manufacturer has told the District that the three buses can be added if the grant is approved.

Public Hearing on Section 18 Grant Application for Three Additional Buses: Ms. Calvert opened the public hearing on the District's application for Section 18 funds to purchase three additional buses. Hearing no comment from members of the audience, Ms. Calvert closed the public hearing.

MOTION

Board Deliberation and Decision: Mr. Parks moved that the Board adopt the resolution authorizing the General Manager to apply for \$513,000 in Section 18 grant funds to fund the purchase of three transit buses, and to take the appropriate actions to purchase the three buses. Mr. Brandt seconded the motion. There was no further discussion, and the motion carried by unanimous vote.

VOTE

PRICING PLAN FOR FISCAL YEAR 1990-91: Paul Zvonkovic, Transit Planner, called the Board's attention to page 27 of the agenda packet, which showed the increases made over the past several years, and to the Fare Policy on page 32.

He explained that small, incremental increases give customers the option to switch between fare options. In 1987, the cash fare was raised and many people switched to tokens and passes. The token price was then raised in 1988, and people switched to passes. The trend now is that most people seem to stay with passes because they see passes as a good deal. Increasing the pass price does not seem to have as great an effect as increasing the cash and token prices. Some customers even take the next step and begin buying three-month passes. As a result, both ridership and passenger revenue have shown growth in the 1980's.

Prepaid fares are also more efficient and convenient for passengers and employees, allowing faster boarding and less processing time for counting coins.

Mr. Zvonkovic then explained the updates to the five-year pricing plan. Since 1981-82, inflation has risen 23 percent. Cash fares have been increased three times since 1982-82, with a cumulative increase of 30 percent. Tokens have increased 37 percent, and adult passes, 31 percent. Last year, inflation was close to 5 percent, and staff have estimated that there will be 5 percent inflation each year for the next several years. Next year, staff will probably ask for an increase in the cash fare to stay ahead of inflation, and then will recommend increasing tokens and passes in future years. Page 32 of

the agenda packet contained a chart which staff used as a guideline for planning purposes, and which would be updated for next year.

Mr. Zvonkovic said that for FY 90-91, staff were proposing an increase in the group pass price, and establishment of a mechanism for an automatic inflation clause to be included in each contract which is negotiated for group pass programs. The recommended increase was from \$4.25 to \$4.75 per student or employee per term, beginning in September 1990.

Mr. Zvonkovic stated that the University of Oregon provides 12 percent of the District's passenger revenue. The impact of rising fares is not as great among this group because within the group there are both riders and non-riders, who are buying into greater transportation goals, rather than individuals deciding whether or not to put more money in the farebox. For instance, at the UO, non-riders found they benefitted from having more parking spaces available, and surveys show that UO employees and students are not opposed to an increase in the cost of the prepaid pass.

Ms. Fitch asked if staff, during their strategic planning process, look at ridership and other means to pay increases other than tying them to inflation. She said that 25 cents over three months spread out among a lot of students can seem very minor, but would be a high percentage for those on fixed incomes or without inflationary increases in their salaries. Ms. Loobey replied that this is why the District considers increases in cash fares and prepaid instruments at different times, rather than increasing them all at the same time. Customers are very sophisticated about choosing their fares, and do make those changes in fare instruments. Ms. Loobey stated that LTD's ridership losses are minimal when small, incremental fare changes are made, in contrast to those transit district's which raise all fares at once every few years.

Mr. Andersen said he had a philosophical comment to make. According to the policy, he said, the District wants to tie the group passes to the cost of inflation, but every other increase for other fare instruments has gone higher than inflation. If this were the case, then the District would be giving those with a prepaid group pass a price break, because their costs would increase in the same amount as inflation. He wondered if the cumulative increase was different. Mr. Brandt said that the cumulative increase was different because the District would receive that money faster, or for a longer period of time, like compound interest. If you wait four years to raise one and raise it more, that might not be as much a raise as a smaller amount each year.

Mr. Andersen said he thought it was fine if group passes were paying more than their fare share proportionately.

Mr. Brandt asked if the number of participants is developed annually, so that the District is paid for the number of participants in the whole group each year. Mr. Pangborn replied that the number is determined each quarter, and that the City of Eugene group pass program would work the same way.

Mr. Viggiano, in responding to Mr. Andersen's comment, stated that staff's intent was that in the long run all these fare instruments would keep pace with inflation, and that it was somewhat aberrant that they had been higher than inflation. Mr. Zvonkovic added that longer-term fare instruments allow a lower per ride fare than cash, to encourage riders to use fare instruments other than cash.

Ms. Calvert asked if the policy was to stay ahead of inflation. Mr. Viggiano said it was actually to remain at or above inflation.

Public Hearing on Fiscal Year 1990-91 Pricing Plan: Ms. Calvert opened the public hearing on the FY 90-91 Pricing Plan. There was no public testimony, and the hearing was closed.

MOTION

Board Deliberation and Decision: Ms. Fitch moved that the group pass price be increased from \$4.50 to \$4.75 per participant per term in September 1990, and that contract language that implements annual automatic inflationary increases to the pass price be established. Mr. Herzberg seconded the motion.

VOTE

FISCAL YEAR 1990-91 GOALS & OBJECTIVES AND ACTION PLANS: Ms. Loobey directed the Board's attention to the draft Goals & Objectives on page 67 of the agenda packet. She explained that the Goals & Objectives were presented for Board adoption, and the corresponding Action Plans were included for the Board's information. This year, for the first time, staff participated in a strategic planning process in the fall, and discussed that process with the Board at a December work session. The strategic planning process was used to clarify the District's direction for the future, establish priorities, and provide a decision-making model. Ms. Loobey explained that the process included the evaluation of the District's strengths, weaknesses, opportunities, and threats (or what in the environment would prevent taking a particular course of action). She said this process provided focus for the staff during the development of the District's goals and the division action plans, and had been a collaborative process. Communication across division lines had increased; all divisions were now aware of what actions other divisions were planning, and what impact those actions would have on the rest of the District.

One new facet of the action plans was the inclusion of "value statements." These were statements which staff seemed to make all the time regarding the value and culture of the organization, so they were included as a reminder that they do exist.

When drafting the Goals & Objectives, staff reviewed the service plan, the pricing plan, and the Capital Improvements Program. Many activities were suggested for each goal, listed in priority order. When the budget is finalized, it will dictate which of those actions are undertaken.

Ms. Loobey suggested that next year the Board become involved in a much earlier setting, as done by the City Council, the Chambers of Commerce, and

other organizations. She added that staff would like to discuss the process with the Board before it begins again next year.

Mr. Andersen wondered whether the Board should have goals and objectives and an action plan, also. He agreed that they were valuable tools, and that the value statements and goals seemed to be worthwhile. He said, however, that he would have liked to have been involved earlier in the process. Ms. Loobey stated that staff would like to have more Board involvement in these kinds of activities, as well as in community issues, and would like to work toward that next year.

Mr. Brandt asked if improving the farebox-to-operating-cost ratio had been dropped from the District's goals. Mr. Pangborn replied that this was not specifically stated this year or last; it were not dropped out, but also was not included as a specific action statement. He added that the farebox-to-operating cost ratio had fluctuated between 18 and 21 percent for last eight years, and that staff were committed to maintaining that ratio, but that no specific mention had been made about improving it above a certain point.

Mr. Andersen said he was also interested in farebox-to-operating-cost ratio. He didn't want to instruct staff to add it as a goal at that time, but would like to have a technical and philosophical discussion as the Goals & Objectives are developed next year.

Ms. Fitch said she would be interested in seeing an evaluation of progress made on the Goals & Objectives and Action Plans in six months. Ms. Calvert said she would also like to see all the value statements in one place, similar to the Goals & Objectives.

Ms. Fitch asked how long it took to develop the Goals & Objectives. Mr. Pangborn replied that all division administrators met for approximately three days over the course of three months, taking the discussions back to their staffs between the meetings. He thought total staff time for each division administrator was approximately a week.

MOTION

Mr. Brandt moved that the Board approve the Goals & Objectives for Fiscal Year 1990-91. Mr. Andersen seconded the motion. With no further discussion,

VOTE

BUDGET COMMITTEE APPOINTMENT: Mr. Montgomery said he would be nominating Mary Gilland, a Management Assistant for the Institute of Neuroscience at the University of Oregon, to fill a vacancy on the Budget Committee. He said she had been exceedingly valuable in dealing with the budgets for 16 scientists, and that she controls a large amount of money very well. He added that he thought she would do an excellent job for the District. Mr. Andersen said he knew Ms. Gilland professionally and personally, and thought she would make an excellent addition to the Budget Committee.

MOTION
VOTE

Mr. Montgomery moved that the Board appoint Mary Gilland to the Budget Committee, beginning immediately and ending January 1, 1993. The motion was seconded and passed by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING:

City of Eugene Group Rate Program: Ms. Calvert asked if the City of Eugene employees would begin the program at the new rate of \$4.75 per employee per quarter. Mr. Pangborn said they would begin their program at the current \$4.50 rate and increase to \$4.75 in September when the rate increases. At \$4.50, the City will pay \$18.00 per person per year, and at \$4.75, it will be \$19.00 per person per year. Although only about 100 people are expected to ride, the fee is assessed according to total number of employees, or approximately 1,100 employees. Mr. Andersen said the City is not paying just for the ones who ride; they are paying for everyone who works for the City. Mr. Brandt said it totalled \$20 per month for each of the 100 riders. Mr. Pangborn said it did amount to \$20 per month when divided by total number of riders, but the figure is actually computed on the number of employees; if employees are hired or laid off, that total will change.

Mr. Brandt said that if 500 people suddenly decide to ride, they will be getting an incredible deal. He thought the figures worked out okay for the District if only 100 people were to ride, but if 500 were to ride, the cost to the City was too low. He wondered when that would be adjusted. Mr. Pangborn said this is the same way the University of Oregon program works; every student pays whether or not he or she rides. Ridership there has doubled since implemented, and the fees have been adjusted for the number of employees, not number of riders.

Ms. Calvert said that when this program was first instituted at the University, it was to be a revenue-neutral program which would not add that much revenue or cost the District too much. Mr. Brandt thought, however, that the program was costing the District because there weren't enough buses for all the riders. He said he had thought it was a pretty good deal for the District, because LTD would receive \$20 per month per rider. However, he had not understood that if 300 people decided to ride the bus, LTD would still receive the same amount of money.

Mr. Pangborn said that when more people choose to ride the bus we will have to face that problem; as congestion and parking fees get worse, we will have to decide on an appropriate price. It was initially designed as a "loss leader" or incentive to get groups, such as the City, committed to transit use. As the program becomes more successful, the costs can be reviewed.

Mr. Brandt thought that the program would not be beneficial to LTD if more and more people ride, because revenues will go down per rider unless the contracts are issued on basis of the number of riders. He said the point he was trying to make was that the District needed to be careful about getting into a situation where the number of riders suddenly increased but the group kept paying the same amount, and LTD had to triple amount of buses. He had understood the program to allow more revenue as the number of riders

increased, in addition to the inflationary increases. He suggested that the Board address this issue before making any more commitments for additional prepaid ride programs.

Ms. Fitch asked if LTD was still at break-even point with the UO. Ms. Loobey replied that the District has had to add extra service, but that was being paid for out of group's fees. Therefore, LTD was not subsidizing any more of the University's service.

Mr. Parks said that what Mr. Brandt was saying was that if the whole group decided to take the bus, LTD would have some tremendous capital costs, and doesn't have that kind of money. If the whole system had to be improved because of the UO, then the system would be increasing at a low price and capital costs would escalate. He said the District bought used buses to begin the UO prepaid program, and now has to buy new buses. He stated that he agreed with Mr. Brandt, that this situation couldn't go on forever.

Mr. Brandt added that he thought the group program was a year-to-year program, and that when the District saw that ridership was higher than expected, the cost should have been re-evaluated.

Mr. Pangborn likened transit service to the library, police, and fire department--part of the basic infrastructure which provides services to meet demand. Mr. Brandt suggested that people might create bus rider groups to get "free" service.

Mr. Pangborn said staff had been remiss if the Board misunderstood the group pass program. He suggested that it be discussed in detail at the next meeting.

Mr. Parks said that one of the most valuable capital and operating savings came from having more people take the bus, because then fewer parking structures or spaces and streets are required. However, that savings does not come back to LTD, but goes instead to units of government or the University. He said the UO's investment would be going back to them many times, but LTD would not be receiving any of this return.

Mr. Brandt said he didn't know if the LTD was past the point with the City of Eugene, but he suggested writing contracts to escalate the price for the number of riders. However, Mr. Pangborn said he was fairly certain that the City wouldn't have agreed to that stipulation. Discussions with the City are past that point, but it will be a one-year commitment, so it can be reviewed next year.

Mr. Parks said the automatic inflationary escalation was basically nothing in terms of the District's needs, and he wanted to tell staff that this couldn't go on into infinity. He said the group program was a better deal than parking. He thought it was good for the whole community, but he wanted to make sure LTD wouldn't be in trouble down the line when it needs capital.

Mr. Montgomery thought it should be pointed out to the contractees that the group pass program was benefitting more than just the students or the City employees; it was of great benefit to the University and the City, and LTD is the group that is getting the least benefit from the program.

Ms. Calvert thought these issues should be discussed at the next goal-setting session.

Discussions with U.S. Congressional Delegation: Ms. Loobey commented on her memorandum in the agenda packet, saying she found it more productive to go to Washington, D.C., as a united front with other local governmental leaders, rather than during the American Public Transit Association legislative conference. Currently, going into the same kind of budget year with federal deficits and unknown funding levels for transit is compounded by the necessity to rewrite the Surface Transportation Assistance Act. Ms. Loobey said that the Oregon Transit Association (OTA) and LTD will be very active in the process to rewrite the Surface Transportation Assistance Act.

Ms. Loobey said that while in Washington, she was able to thank Senator Hatfield for his intervention with the District's Section 3 grant application, and to talk with the new administrator of the Urban Mass Transportation Administration (UMTA), Brian Clymer, regarding the downtown Eugene transit station, who said that she should keep the Region X UMTA office apprised of the project.

Mr. Parks commented that the Secretary of Transportation had said that the philosophy of the Bush Administration was that transit districts will not be receiving money in the future as they have in the past.

APTA Western Conference/Acting General Manager: Ms. Calvert said that the APTA conferences were informative, especially for new Board members, and that she thought it was valuable to go to at least one or two of them.

General Manager's Annual Performance Evaluation: Ms. Calvert said that the evaluation forms were being handed out that evening, and that they should be returned to Jo Sullivan. After the evaluations are compiled on one form, the Board Salary Committee will meet to discuss them and to formulate a recommendation regarding the General Manager's salary and benefits for FY 90-91.

Financial Reporting: Mr. Brandt asked why the District was falling behind in receipt of the State In-lieu-of payroll taxes. Brentt Ramharter, Finance Administrator, replied that those funds come at the end of each quarter, so the District would be caught up at the end of the current quarter. Mr. Brandt then asked about miscellaneous revenues. Mr. Ramharter replied that some of that revenue was due to the receipt of the balance of \$34,000 in a reserve account as the result of the termination of PHA as LTD's health insurance carrier.

Mr. Brandt said the number that worried him was the \$8 million in the excess/deficit revenues column. He said that number was not meaningful and could be misinterpreted, and should be changed. Mr. Pangborn said the deficit

was due to front-end-loaded line-items; for instance, Marketing expends most of its budgeted funds in the fall for the fall service campaign. Ms. Calvert stated that the good news was that the payroll tax revenues had adjusted and were closer to the budgeted amount than had been thought earlier in the year. Ms. Loobey said that last year, payroll tax revenues dropped off in the fourth quarter, so it would be interesting to see what happened this year.

"Fan Letter" - A Compliment to the District: Ms. Calvert called the Board's attention to the letter in the agenda packet from a long-time rider, thanking the District for excellent service and the professionalism and courtesy of the drivers.

ADJOURNMENT: Mr. Pangborn said that three Budget Committee meetings had been tentatively scheduled; the first on April 11, the second on April 18 if no Board meeting is held, and the third on April 25. May 3 is also available if another meeting is necessary. Mr. Brandt thought that only two meetings should be scheduled, so the Committee would just have to plan on two.

Mr. Andersen moved, seconded by Mr. Brandt, that the meeting be adjourned. With no further discussion, the meeting was unanimously adjourned at 9:50 p.m.


Recording Secretary