

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, November 20, 1991

Pursuant to notice given to *The Register-Guard* for publication on November 14, 1991, 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, November 20, 1991, at 7:30 p.m. in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: Jack Billings
Janet Calvert
Thomas Montgomery, Secretary
Keith Parks, President, presiding
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Peter Brandt, Treasurer
Tammy Fitch, Vice President
(vacancy in subdistrict 5)

CALL TO ORDER: The meeting was called to order at 7:30 p.m.

EMPLOYEE OF THE MONTH: Mr. Parks introduced Bus Operator R.L. Montgomery, the November Employee of the Month. R.L. was hired on September 18, 1978, and has earned awards for nine years' safe driving and exceptional attendance. This was the second time R.L. had been chosen Employee of the Month. He was nominated this time by riders on his McKenzie Bridge route, who wrote long letters of nomination. Some of the comments made were that R.L. is concerned about his riders as individuals; remembers where his riders get on and off the bus; drives very safely; always has a smile and a kind word; is a "people person"; is firm about conduct on his bus, so parents are comfortable letting their children ride; and is always willing to help in any way he can, including making sure that children cross the road safely or finding and returning lost articles. Mr. Parks then presented R.L. with an achievement award, letter, and check. R.L. said he appreciated the award, and that he thought the Board was doing a good job.

MOTION **MINUTES:** Mr. Montgomery moved that the minutes of the October 16, 1991, regular meeting be approved as written. Mr. Billings seconded the motion, and the minutes were approved by unanimous vote.

VOTE

DECISION ON TAX RATE FOR 1992: Ms. Loobey said the Board would need to take three independent actions that evening: (1) a motion to set the tax rate; (2) a motion to read Ordinance No. 34 by title only; and (3) a motion to adopt the ordinance. She said that adoption of the ordinance was, in effect, an implementation of the first year of the Long-Range

Financial Plan that the Board had discussed previously, and which outlined how LTD would perform during the next five years. The higher tax rate would continue the progress toward the District's long-term financial health, which begun two or three years ago. The District had improved its financial flexibility by creating a reserve account for unanticipated fluctuations in payroll tax revenues; by funding an adequate reserve for capital acquisitions, including buses; and by being able to fund an 8 percent increase in service in FY 92-93, to implement recommendations of the Comprehensive Service Redesign, which was underway, and to provide for some of the unmet needs for service.

Ms. Loobey said that the Board had been discussing an increase in the payroll tax rate since last April. The need to declare an emergency in adopting the ordinance existed for two reasons; primarily the need to notify the Oregon Department of Revenue of any changes by the first week in December, so they could change reporting forms. Secondly, staff had waited as long as possible in order to have the most current information about the payroll tax rate growth, which was not available until the end of October. She stressed that the adoption of this ordinance was not a precipitous action. In addition to the Board discussions, Ms. Loobey had discussed the proposed rate increase with both Chambers of Commerce, and neither had taken a position on the issue.

The Board and Budget Committee had concerns about the possibility of increasing the rate to the statutory maximum of .006, because that would limit the District's financial flexibility if there were a downturn in the economy. A suggestion was made to have a "rainy day fund," to save money against such a downturn. At the end of last fiscal year, the District was able to establish such a fund. Ms. Loobey said that LTD was in an enviable position because its financial position was very sound. The District would be able to respond to more service requests from the community and suggestions from local units of government, and would be able to move ahead with the Long-Range Financial Plan.

Tamara Weaver, Finance Administrator, said she would provide a brief summary, but would not go into detail about the Long-Range Financial Plan, which the Board had reviewed in some detail on more than one occasion. She explained that, based on projections made last April, staff had recommended a tax rate of .0058, but during three additional quarters of collection and passenger fares, the District's revenues had increased more than anticipated. Last April, the Board and Budget Committee were observing an economy that was very seriously "dinged," with fewer jobs and economists stating that the economy would be flat. It appeared to the Board that the District needed to depress its spending and not implement service which the Board had approved in February. The District took strong, decisive action to reduce or hold expenses at budgeted or below, and waited out the recessionary period.

Ms. Weaver said that the three additional quarters of collections had averaged almost 6 percent over the prior periods. She said that staff could not explain that growth, but it was much better than had been predicted. With increased cash from additional revenues due to increased passenger revenues and payroll tax collections, as well as a reduction in expenditures by staff, the Board decided to set aside funds in a payroll tax fluctuation contingency fund, and that had made a big difference in the Long-Range Financial Plan. That change had resulted in improved capital reserves for the Eugene Station and bus purchases

in 1994-95. Therefore, staff were recommending an increase in the payroll tax rate to .56 percent rather than the .58 percent recommended in April.

Ms. Weaver said that service decisions would be made during the FY 92-93 budget process by the Board, based on the Comprehensive Service Redesign (CSR) and the current economic conditions.

Ms. Weaver stated that LTD had not raised its payroll tax rate since January 1980, but had lowered the rate twice since that time. As a financial person, she thought that was an admirable accomplishment.

MOTION Ms. Calvert moved that the Board approve a tax rate of .0056 on payrolls earned beginning January 1, 1992. The motion was seconded. Ms. Calvert said she thought the Board had pretty well discussed this issue, and that most of her questions had been answered. She said it seemed that the District was going to be required to look at more aggressive ways of providing service, so this was the appropriate time to increase the rate.

Mr. Parks commented that the District had been in the midst of the community's recession but now had something positive from that experience. He thanked the staff for all the hours they had put into working on the Long-Range Financial Plan and determining the appropriate tax rate to recommend. He said he believed the District was doing the right thing.

Mr. Montgomery said he had been more or less comfortable with the .58 percent increase that had been discussed during Budget Committee deliberations, and thought that it was very positive that the rate could be reduced a couple of points and still allow the District to do what needed to be done.

Mr. Billings agreed with Mr. Montgomery. He was pleased that the staff had been able to reduce the rate through conservation and "sharp pencils." As an employer who paid the tax, he said he hoped the higher rate would be short-lived, but he was prepared to vote in favor of it.

Ms. Calvert commented that a more encouraging thing was that the economy had some strength that was not perceived, and that ridership was up.

VOTE There was no further discussion, and the motion to increase the payroll tax rate to .0056 carried by unanimous vote.

MOTION **ORDINANCE NO. 34:** Ms. Loobey explained for the new Board members that any governing body had the option of reading the title or reading the entire ordinance at a public meeting. Copies of the ordinance were included in the agenda packet and were available for anyone in the audience who wished to have one. Mr. Billings moved that the Board read Ordinance No. 34 by title only. Ms. Calvert seconded, and the motion carried by unanimous vote. Mr. Billings read the title of the ordinance: "Lane County Mass Transit District Ordinance No. 34, An ordinance imposing an excise tax on employers, providing for administration, enforcement and collection of the tax, terminating the application of tax under Ordinance No. 32, and declaring an emergency."

VOTE

Mr. Montgomery asked whether the wording of the title meant that the District was imposing an excise tax as a new tax. Ms. Loobey explained that an excise tax and the payroll tax were one and the same.

MOTION Ms. Calvert moved that the Board adopt Ordinance No. 34, An ordinance imposing an excise tax on employers, providing for administration, enforcement and collection of the tax, terminating the application of tax under Ordinance No. 32, and declaring an emergency.

VOTE Mr. Montgomery seconded the motion, and the ordinance was adopted by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING:

Service Requests and Comprehensive Service Redesign: Ms. Calvert said that when staff take service requests to the Board, she would like to have an indication of the depth of information on that service, or the depth of requests for that service, whether it be one person, the entire neighborhood, etc. Mr. Parks asked if some of the service requested previously, which the District had been unable to fund, would be added as part of the Comprehensive Service Redesign (CSR). Stefano Viggiano, Planning Administrator, said that this was one of the reasons for the CSR. He said the District would not be able to provide service to every request, but some of those would be taken care of in the CSR. Some of the requests would be easy to look at individually, such as the last hour of service at night, but some which were integral to the service would be more difficult to look at by themselves. He said staff would bring service recommendations which result from the CSR back to the Board on a couple of occasions, so the Board could provide feedback to staff during the process.

Ms. Calvert said she anticipated that some service would be eliminated as a result of the CSR, so there may be some unhappy people. Mr. Viggiano said that any time the District made service changes, some people would lose service, and the Board may hear some of that directly, although staff were prepared to respond when that happened.

Ms. Loobey said that the report on page 67 of the agenda packet discussed the work program and schedule for the CSR. Public involvement was explained on page 71. Ms. Loobey said that staff had attempted to set up the process to gather as much public input as possible. It had not been decided yet whether the Board might want to be involved in hearings in their districts, or whether staff would bring all information to the Board.

Ms. Loobey explained that the last Comprehensive Service Redesign was done 11 years ago. The District had a bus fair at the Lane County Fairgrounds, where the newly-designed service was laid out. Staff spent several hours on a Saturday getting input from the public, and more than 2,000 people attended. She said staff would design the public input plan for the current CSR to obtain information from customers and people they hoped would be customers. The Board would need to conduct at least one public hearing. Mr. Parks said he would not want to handle all the people on one night. Ms. Loobey said staff would be aggressive in going to the community, such as at the library, shopping malls, etc., in hopes of reaching a large number of people. She expected that people who thought their service would be degraded would want to talk with the Board. The Board may want to talk to those people over one or two days, but within a fairly short period of time, and may want to do part of the

public input process during the day, for the convenience of people who did not ride the bus at night for one reason or another.

News Media Communications: Ms. Loobey called the Board's attention to a staff report in the agenda packet. Staff had thought it would be instructive for the new members to understand how communications with the news media were handled by staff. Ed Bergeron, Marketing Administrator, said the information in the packet would be helpful in responding to challenges which the District would face in the months and years ahead. One of the key elements, he said, was in letting the public know what the District was doing, though the local news media. Most of that contact was through Mr. Bergeron or his staff, and the goal was to provide accurate and balanced information, so the public could receive the real picture of what the District was doing. He said that the District's procedures seemed to work well.

Mr. Bergeron said that, as the District's role in the community attained a higher profile, Board members might be contacted directly by reporters. He stressed that Board members should always feel comfortable in letting the media know when they did not have the requested information. LTD was a complex organization, and staff would be available to research and provide the correct and most up-to-date information to the Board members before they responded to any questions, and to help in any other way the Board members might wish. Mr. Bergeron said that the media appreciated having the latest, most correct information and did not want to make mistakes in their reporting, so would not be surprised or put off by such a response by Board members. Although it may appear that the reporters were in control when television cameras were rolling, Mr. Bergeron said that the person being interviewed really was in control, and could say that he or she needed to look into the issue and get back to the reporter. Television crews will only use footage if someone says something. If nothing is said, it can buy some time until the correct information can be obtained.

Americans with Disabilities Act Update: Mr. Parks said that the District needed to keep in mind that if additions were made to fixed-route service, they would also have to be made to Dial-a-Ride service. Mr. Montgomery wondered if more was known about the cost now that the regulations were written. Micki Kaplan, Transit Planner, said that the Lane Council of Governments (L-COG) and LTD had hired a consultant who had worked with the Accessibility Committee. Preliminary estimates to provide service beginning next fiscal year were \$470,000. Mr. Parks asked what the actual increase in funding would be. Ms. Kaplan said the increase would be about \$370,000, or about \$100,000 over three years. Ms. Weaver said the preliminary plan had assumed that service to achieve full compliance with the ADA would be implemented during a five-year period. She said that staff would have more cost information by the December Board meeting. Mark Pangborn, Director of Administrative Services, added that preliminary costs were that the District would need to spend \$400,000 over the next five years.

Mr. Billings wondered if there were regulations that showed how to write a compliance plan. Ms. Loobey said that there were. Ms. Calvert wondered what transit districts which were not 100 percent accessible in their fixed-route service would have to do in response to the ADA. Ms. Loobey said that they were "scrambling" to meet the requirements, and that some smaller properties might have to cut regular service. Mr. Pangborn said that a five-year implementation plan may give transit districts time to replace some equipment, but they might

not have enough operating money to put into Dial-a-Ride type of services, so they might have to cut regular service. He said LTD was in a position to avoid the cutting of regular service to meet the ADA requirements.

Ms. Loobey commented that Ms. Calvert had experienced demonstrations by militant disabled community members in San Francisco, at an American Public Transit Association conference a few years ago. The demonstrations had interrupted service all over San Francisco for hours. If APTA and its membership had moved forward as LTD did years ago, she said, the transportation community in this county would not be faced with the dilemma it faced as a result of the ADA.

Eugene Station Update: Ms. Loobey informed the Board that the Eugene Station Advisory Committee had met twice. The committee members had heard a history of the Eugene Station, and had asked good questions. At the next meeting, the committee would talk about programming issues for the station. Programming would also be the main item for discussion at the December Board meeting.

Ms. Loobey explained that programming was an architectural term for talking about standards or guidelines to influence the amenities and materials and features of the station. She said that the cost estimates for the IHOP and Pasta Plus sites only included platform costs, nothing above the platform, such as shelters, CSC, telephones, etc. This was done because the station would have the platform regardless of the site, but the amenities or features may be different from site to site.

Ms. Calvert asked who the members of the Eugene Station Advisory Committee were. Ms. Loobey listed the members and the agencies they represented: Committee Chairman Gerry Gaydos, the Eugene Planning Commission; Debra Ehrman, the Eugene City Council; Jef Faw, representing Lane County in an at-large position; Dave Kleger, representing bus riders in an at-large position; Jess Maine, the Springfield Chamber of Commerce; Mike Schwartz, the Eugene Chamber of Commerce; and Jonathan Stafford, the Eugene Downtown Commission.

Board Member Reports:

(1) **Metropolitan Policy Committee (MPC):** Ms. Calvert said that at the last MPC meeting, the committee voted to allow LTD Board members to be "real" members. There was to be discussion on the Central Area Transportation Study (CATS) Plan, but the Plan was simply presented to members of the MPC, and probably would be discussed in more detail at another time. At the last MPC meeting, the issue of a park and ride transfer station at Autzen Stadium was raised. Also discussed were commercial and industrial lands study and the need for residential planning, not just commercial planning. There was also some discussion regarding the different role of MPC, and the fact that a lot more issues having to do with funding and how money is to be appropriated would be coming before the MPC.

(2) **Oregon Transportation Commission (OTC):** Mr. Billings reported on a recent visit of the Oregon Department of Transportation (ODOT) Commission in Eugene. Four of the five commission members were present, and heard the local mayors talk about their transportation

issues. He said he learned about the United Front effort of the Cities of Eugene and Springfield and Lane County, in which they presented a united position to ODOT. A video about transportation corridors in the area was also shown. He thought it was great that LTD got to take the commission members around town on the bus, and Ms. Loobey said that staff had taken the commissioners on a tour of the maintenance facility at the end of the day. She explained to the commissioners that lottery money and stripper well money, from a lawsuit mounted by Oregon Attorney General Dave Frohnmayer and other Attorney Generals from other states against oil companies, helped finance the Glenwood facility.

Ms. Loobey added that this was the first time ODOT had taken an affirmative stance outside of the highway community in building the transportation plan. She explained that approximately 30 people, Ms. Loobey included, were invited to brainstorm for the transportation plan. In the past, plans had always been highway plans, but a number of transit supporters had been encouraging ODOT to take a broader view of Goldschmidt's Access Oregon Plan, so smaller rural communities would have some transportation mobility. Ms. Loobey said it was important for those communities to have mobility within their own communities as well as to larger communities, and there had been a shift in sentiment on the part of the commission toward this broader view. She said she welcomed the shift in responsibility and awareness on the part of the commissioners and principally on the part of commission chairman Mike Hollern.

Ms. Calvert asked if the Board needed to be familiar with the New Oregon Trail plan. Ms. Loobey explained that this plan was being prepared, and that ODOT would be on the trail with public hearings. Board members would be provided a copy when it became available.

Clean-Air Buses: Ms. Loobey called the Board's attention to a report written by Operations Director Tim Dallas about the state of the art for LTD and the technology that was beginning to appear in the marketplace. She said that the basic thrust with clean air buses was that technology was as yet untried, and as a smaller transit district, LTD had not suggested testing the new technology. Others were doing the testing across the country. Mr. Billings said he appreciated this kind of summary; it was what he wanted to have when he others asked him questions.

Ms. Loobey said that one of the legislative bills the Board had asked her to work against during the last session required transit districts to use alternatively-fueled buses. The amendment that the bill's opponents were able to secure was the inclusion of low-sulfur diesel as an alternative fuel. It was being used in the Los Angeles basin and in Washington State, and at some time would be available in Eugene. The cost for this fuel was about four or five cents more than regular diesel fuel. If the use of low-sulfur diesel were combined with the installation of particulate traps, Ms. Loobey was convinced that this would be a better solution for LTD than some of the other alternative fuels, which may have cleaner exhaust (particulates and carbon monoxide), but still would have other emissions. The other alternative fuels were also flammable, highly toxic, and required expensive fueling facilities. Two of the alternative fuels create cyanide as a by-product of combustion.

Ms. Loobey said that the idea of using alternative fuels had captured the imagination of a lot of people. She was hopeful that LTD would be able to keep things in perspective and

figure out the best future for the District. Mr. Billings asked if there was any interest in or reason to share this information with the City Council. Ms. Loobey said that staff would be happy to share this information, and the MPC may be a good forum to do so. Mr. Billings said the District could tell the Council that it was excited about the opportunities, but that it would be better to let others develop the technology and do the testing.

Mr. Dallas added that the City Council might be influenced by some of the people who promoted some of these technologies, so would be more apt to hear about the advantages rather than the disadvantages, such as the fact that methanol was a carcinogen absorbed through the skin, and that methanol and ethanol burned with a clear flame that could not be seen. He said the District needed to talk about both sides of the technology--the advantages and the disadvantages. Ms. Loobey said that fire marshals had concerns about alternative fuels, and that at least the option to use low-sulfur diesel as an alternative fuel left LTD in better stead than it might have been.

Mr. Billings said he wasn't sure if this topic could be added to the MPC agenda in December, but he thought the District should start giving them as much information as possible. Ms. Loobey said the City Council might be more interested in the fire problems if they heard about them from the fire marshall than from LTD. Mr. Parks said that the City may eventually have to follow the same regulations; that requiring alternative fuels for transit would be just the tip of the iceberg for those receiving federal money.

Update on State Air Emissions Bill: A brief update on HB 2175, the air emissions bill, was included in the agenda packet. Ms. Loobey said that the Oregon AAA was expected to file suit within the next two weeks, and the suit was expected to be on an expedited hearings calendar. Although the bill had been signed by the Governor, it had not been implemented because it was awaiting a court test. The District's share of current costs for the hearing was expected to be between \$2,500 and \$5,000. Staff would have more information about that later.

Redistricting of LTD Board Boundaries: Ms. Loobey said that for the first time in history, the Secretary of State held a public hearing on the new subdistricts within the Board's boundaries. No public attended the hearing. The boundary changes were minor, and did not affect any current Board members' residences.

Budget Committee Appointment: Ms. Loobey explained that the term of one Budget Committee member would expire on January 1, 1992, and Mr. Billings would be nominating someone to fill that position. Mr. Billings asked about the time frame for the budget process. Ms. Loobey said that it typically began in April, and the budget must be approved and adopted by the Board by the end of June, under local budget law. Mr. Pangborn said that the Budget Committee meetings were usually held on consecutive Wednesday evenings in April, and would probably involve only two or three meetings. Ms. Loobey said that the District had just received a letter of resignation from Mary Gilland, so Mr. Montgomery would also need to find a replacement for the committee.

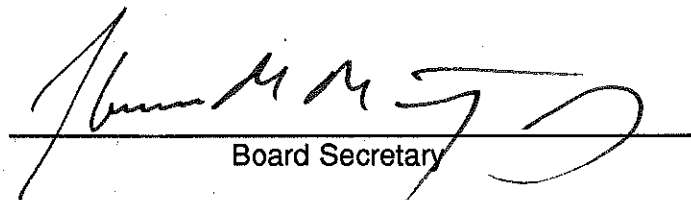
Election of Officers: Mr. Parks wondered if it would be possible to have half of the four officers' terms end each time, instead of all four ending every two years. Ms. Loobey said that might require a by-laws change.

Operations Summary Report: Ms. Calvert said she found this new activity report interesting.

Springfield Festival of Lights: Ms. Loobey said that staff had been approached by Springfield to participate in Springfield's version of Joy Ride, called a Festival of Lights, and that Springfield was very willing to work with the District to make it happen. However, it was too late in the year to do it this year, so they would begin discussing the possibility early next year. She explained that staff began the Joy Ride planning in January of each year. For the Joy Ride promotion, service is paid for through the farebox and subsidies provided by the three sponsoring agencies (the Register-Guard, Oregon Eye Associates, and Valley River Center).

Group Pass Programs: Ms. Calvert said she had been asked whether McKenzie Willamette had approached LTD about a group pass program. Mr. Pangborn said staff had received an inquiry, had talked with the hospital administration, and had not heard back from them. Ms. Loobey said that the present administrator was leaving, and perhaps the new administrator would follow up with this. She said that McKenzie-Willamette was one of the major employers in Springfield, and could benefit from a group pass program. McKenzie-Willamette had a parking problem, although not of the magnitude of Sacred Heart Hospital's parking problems.

ADJOURNMENT: Ms. Calvert moved that the meeting be adjourned. Mr. Billings seconded the motion, and the meeting was unanimously adjourned at 9:00 p.m.


Board Secretary