

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, February 17, 1993

Pursuant to notice given to *The Register-Guard* for publication on February 12, 1993, 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 17, 1993, at 7:30 p.m. in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: Jack Billings
Peter Brandt, Treasurer
Janet Calvert
Tammy Fitch, Vice President
Patricia Hocken
Thomas Montgomery, Secretary
Keith Parks, President, presiding
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

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

EMPLOYEE OF THE MONTH: Mr. Parks introduced the February Employee of the Month, Bus Operator Rich Ries, who was hired on June 2, 1976. At the last employee awards banquet, Mr. Ries had received awards for exceptional attendance and 12 years' safe driving. He was nominated by a customer who was impressed with Rich's alertness during the recent icy road conditions. Mr. Parks presented Mr. Ries with a certificate and check. Mr. Ries said that his years at LTD had been enjoyable ones for him.

FY 1993-94 SERVICE CHANGES: PUBLIC HEARING: Planning Administrator Stefano Viggiano explained that each year, staff evaluated requests for service improvements from the public and LTD employees. Staff were not requesting Board action that evening; a public hearing would be held, and then staff would bring final recommendations for service changes to the Board for approval in March. In January, the Board approved the update to the District's Americans with Disabilities Act (ADA) Paratransit Plan. Among the proposed service were changes to comply with the ADA Paratransit Plan. Other priorities of the recommended changes were to address operational issues and to address gaps in service. Mr. Viggiano explained that the District had moved from a system of four pulses per hour at the Eugene Station to six pulses per hour, but there were not departures at all six pulses to all major destinations. Over time, staff hoped to fill in the missing two arrivals and departures per hour which were currently not part of the service. With those two additional departures, the District would have ten-minute service on all major corridors. Initially, those pulses would be filled in at peak hours only, and only in the direction in which the demand was the greatest.

Mr. Viggiano called the Board's attention to the service change information on pages 5 through 17 of the agenda packet. On page 6 were listed the requested service additions which staff considered the highest priority, in a preliminary priority order. He discussed those service recommendations briefly. He explained that the cost of the service being considered was probably higher than the funding which was available, so those recommendations would be refined and a final proposal brought to the Board in March. On page 17 was a list of items requested but not being considered at that time. Staff were asking for any input the Board members might have about the recommended service changes.

Mr. Billings asked if the items on page 17 were in priority order. Mr. Viggiano said that they were not. However, staff were updating a four-year-old study on service to the Eugene airport, and depending on the results of that study, staff might recommend giving service to the airport a higher priority than it was currently given. Mr. Billings then asked if staff's priority listing for that service would change if a turnaround were available for service on South Willamette, past 46th Avenue. Mr. Viggiano explained that this area was not a high demand area for service, so he was not sure how much service it would generate. However, if a turnaround were available, the District would probably recommend serving that area, without expecting a lot of ridership, since it was a logical extension to a highly used route.

Ms. Hocken asked if adding extra running time to trips would change departure times. Mr. Viggiano said that it would. The #11 and #18 were coordinated, so to provide 10-minute service, the time would have to be added to both routes, even though only one route needed the additional time. Ms. Hocken wondered if the District would lose some riders if there were odd departure times. Mr. Viggiano explained that currently the District had "clock" headways, meaning the buses left at the same time before or after the hour all day. Larger systems did not use clock headways, and LTD wanted to move away from clock headways because it would be cost-effective to do so. There could, however, be some impact on ridership.

Ms. Fitch asked if the service recommendations were listed in priority order. Mr. Viggiano said they were, as staff (Marketing, Transportation, Bus Operators, and Planning) currently viewed them. However, the priorities could change depending on input which might be received, and on further research and evaluation.

Opening of Public Hearing on Service Changes: Mr. Parks opened the public hearing on proposed service changes for Fiscal Year 1993-94.

(1) Malcom Scott, of 5146 Solar Heights, Eugene, spoke first. He said that he and his wife, Jackie, lived off South Willamette and 52nd Avenue. They moved there a year ago and learned that there was no bus service south of 46th Avenue. They tried to find out why, and requested service by letter to Ms. Loobey. He said that the neighborhood had lots of kids in school who were too young to drive, and lots of homes were being built in the area. It was not clear to him whether the District was concerned about ridership or the turnaround. He said he knew LTD ran service to the outlying areas such as McKenzie Bridge, Lowell, etc., and he knew that was not done for profit. He thought the District should also provide service to 52nd and Willamette. Mr. Scott stated that School District 4J served the neighborhood. The buses traveled up 52nd and made a slight back-up to turn the buses around where Solar Heights meets 52nd. He said that Solar Heights was a two-block loop, and it seemed to him that the

District could find a way to turn the bus around in 30 seconds. He said that not having service was also an issue for them in the snow and ice, because it was a long way to 46th and Willamette.

(2) Roger Ferguson spoke next, about item 16, out Delta Highway to the Lakeridge/Stapp Drive/Delta Pines area. He said there were approximately 70 lots in a subdivision there, and 67 of them were occupied. He said they had been trying to get bus service there for a long time, and that the closest bus was at Greenacres, near G.I. Joe's. He thought it was about a fourth of a mile, but there were no sidewalks, and residents worried about transients in the dark. He said that many people wanted bus service, and that three and four buses went through that area at one time for the JoyRide, so he knew it could be done. Mr. Ferguson said there was a trailer park near the loop at the end of the proposed route. He said that Delta Pines was accessible from several places, and needed bus service. He said it was not bad to get exercise by walking, but there were mitigating circumstances, and he thought the area would support the added service because they had wanted it for a long time. He asked the Board to think about adding this service, and invited them to attend a neighborhood meeting.

(3) Tamara Tinbrook, the Human Resources Manager at Molecular Probes, was the third speaker. She said she was present to support an industrial tripper. Molecular Probes had 160 employees in a light industrial area, and was expanding at about a 30 percent growth rate. The company was located on Pitchford, off Willow Creek, on a non-improved road with no sidewalks or street lights. She said she was there to represent employees who were interested in having a bus stop near Molecular Probes. They were currently participating in the "Curb Your Car" program, and the employees tended to be environmentally conscious. A survey showed that 36 employees were interested in riding the bus if a stop were located at that location. She said there was an area to turn around, and that Spectra Physics was located across the way. The area was expanding, and she thought the whole area would be developed when Beltline was built across to that area.

Ms. Calvert asked if staff felt the additional morning and evening trips were important. Mr. Viggiano explained the route, the #30 Bertelson, which turned around at 18th and Bertelson. Staff were suggesting that one morning and evening trip deviate and turn around at Willow Creek. Molecular Probes was just north of Willow Creek. Mr. Viggiano said that the proposal in the packet would provide bus service to Molecular Probes and some industrial areas north of West 11th. It could not pull into Spectra Physics, but would serve Spectra Physics from the 11th Avenue access. Ms. Tinbrook added that Molecular Probes employees had a flexible work schedule, so people interested in riding the bus could adjust their schedules to do so.

(2) Mr. Ferguson asked to make an additional comment. He said that the County's maintenance area and U.S. West Communications were located in the area where he was requesting service. If the bus stopped along there, he thought it would serve a number of employees. He thought there was so much potential to serve the people in that area, and he asked that it be seriously considered.

(4) Pearl Buchanan, of 3355 N. Delta Highway, #112, stated that she worked at the University of Oregon. Since she lived halfway between River Road and Sheldon Plaza, she

drove to Sheldon Plaza to catch the #3X Express. She said she would like to see added routes through the trailer park for the majority of people who were retired, many of whom did not have vehicles. She also would like to see the first trip much earlier than 8:20 a.m., even if it just stopped at the park entrance on Delta Highway, because there was almost a stop built there already. She said she thought people would be happy to walk to the gate if the bus was unable to circle through the park.

Ms. Buchanan said also that her workplace would be relocated to Agate Street. She wondered if she could drive to the Jefferson area as a park and ride and catch the bus to Condon School. Mr. Viggiano said that there were routes which went near Condon School, and staff would be happy to help her find a park and ride location.

Written Testimony: Ms. Loobey called the Board's attention to written testimony which had been faxed to the District that day:

(5) A note from Pat Miles of Lakeridge of Eugene stated, "We are anxious for those making the decisions about extending a bus route to know that there are a number of people living here that do not have a car and would certainly make use of the bus passing by here. We do have a building ready for residents here to stand in should service be provided. We have lost several possible residents due to the fact there is no service at the present time. A representative from the park is unable to come to the meeting tonight so we are faxing a couple of letters that he was to bring. Thanks again for considering our wishes and concerns."

(6) An attached note from Juanita Bishop, 3355 N. Delta Highway, Space 141, Eugene, stated, "I ride the Coburg City Bus every time I go downtown. I do this because of the parking conditions. I walk from Lakeridge Park to Delta Oaks shopping center. I would prefer the bus coming past Lakeridge because of our rainy weather."

(7) Another faxed note was from Linda Clark, 3355 N. Delta Highway, Space 18, Eugene. She stated, "It is my understanding that you are considering a bus route that will include Lakeridge of Eugene which is located at 3355 N. Delta Highway. I have a major interest in the extension of this route, because last week my 83 year old father had a stroke and is now unable to drive his automobile. It is most important that my parents remain independent and are able to come and go as they need to, by utilizing your bus service. Please give this extension serious consideration as it is very important to many elderly people in this community."

(8) Elsie Allsman, of 3355 N. Delta Highway, Space #75, wrote, "I am living in Lakeridge of Eugene and need public transportation. I'm a widow 82 years old, do not own a car so depend on taxis or bus. So would appreciate bus service in this park. Thank you."

Closure of Public Hearing: There was no more testimony, and Mr. Parks closed the public hearing.

Board Discussion: Mr. Billings asked about the next step in the service issue, so the public would know. Mr. Viggiano said that staff would like to hear any reactions from the Board regarding the testimony they had just heard, and that staff would work with the people

who had testified. He explained that the District had tried to drive a bus on Solar Heights before, but staff would work with the Scotts to address the issues they raised. Mr. Billings asked staff to please work with the Scotts, to see if the buses could operate there.

Ms. Scott said that she did not dispute that the LTD buses couldn't get through the area, but she had seen big construction trucks go through the area, and she wondered if the problem with buses was caused by construction.

Ms. Hocken asked if staff had any response to the Stapp request. Mr. Viggiano said it was not shown on the map, but if the District did run that route, it would travel on Stapp. Ms. Hocken then asked about earlier or later service. She said she knew it would add to the cost, but she wondered about providing a 7:20 a.m. route. Mr. Brandt said that the big question was cost, and that the recommended service changes added up to \$617,000. The issue would be how much the District could afford. He said he would leave that to staff, based on demand, and wait for the budget process to see how much money would be available. Mr. Viggiano said that the recommended service probably was more than the District could afford, and that staff would present a proposal in March consistent with the proposed budget.

MOTION **APPROVAL OF MINUTES:** Ms. Fitch moved that the minutes of the January 20, 1993, regular meeting be approved as distributed. Mr. Montgomery seconded the motion, and the
VOTE minutes were approved by unanimous vote.

FISCAL YEAR 1993-94 PRICING PLAN: Transit Planner Will Mueller explained the staff proposal for fare changes for FY 93-94. He reviewed the changes made in FY 92-93, and briefly explained each change recommended for 93-94. Ms. Hocken asked for an explanation about the monthly pass changes. Mr. Mueller said that the changes would enable people to buy passes in groups of any three consecutive months, so that three monthly passes would be prepaid and the quarterly pass would be eliminated. This would reduce the number of fare instruments and give the District a longer-term contract than monthly passes. Customers would still be able to buy individual monthly passes.

Ms. Calvert asked how the proposed LCC Pass price was different than the proposed three-month pass. Mr. Mueller said that currently the LCC Pass price was \$50, and would increase to \$54, then \$57, and then be eliminated in FY 95-96, if approved by the Board. Unless LCC agreed to a group pass program, their best pass option would be the three-month pass. Mr. Billings asked if any negotiations with LCC were currently occurring. Ms. Loobey said that they were not; however, there was a recent change in student body officers, so maybe the new officers would be interested in pursuing a group pass.

Mr. Brandt wondered about comparing fare increases to the Consumer Price Index (CPI). He thought that was one element, but that the District's cost increases also should be considered. He asked if LTD was staying even or losing, in terms of costs. Ms. Loobey explained that the farebox-to-operating-cost ratio fluctuated between 18 and 22 percent, depending on when service was added or if the District was maintaining a level of service. Mr. Brandt thought it would be beneficial to add a statement that the District was not getting out of line with its costs when setting fares.

Public Hearing on Proposed Pricing Plan for Fiscal Year 1993-94: Mr. Parks opened the public hearing on the proposed pricing plan for FY 93-94. There was no testimony, and the public hearing was closed.

MOTION **Board Deliberation and Decision:** Ms. Hocken moved that the Board adopt the five provisions of the proposed pricing plan as submitted by staff. Ms. Calvert seconded the
VOTE motion. Mr. Brandt called for the question, and the motion passed unanimously.

FISCAL YEAR 1993-94 CAPITAL IMPROVEMENTS PROGRAM (CIP): Tamara Weaver, Finance Administrator, said that staff were asking the Board to approve the first year, FY 93-94, of the six-year plan. Projects in the first year amounted to \$10.3 million, with a large percentage of those costs carried forward from the current year. She explained that the District had budgeted \$4.8 million for FY 92-93, but would spend less than \$700,000. Funds for the University Station and the Eugene Station would be transferred into the following year.

Ms. Weaver said that staff expected the downward trend in federal Section 9 funding to continue. However, all of the funding in the FY 93-94 CIP was either in the bank or had been earmarked for LTD. Ms. Hocken wondered if the term "earmarked" was appropriate. Ms. Loobey said that if the money had been appropriated, it had LTD's name on it. The first two years' installments had been appropriated to LTD, and Ms. Loobey and Ms. Hocken would be requesting the third year's funding, \$3.5 million, in Washington, D.C., the following week. Ms. Weaver stated that the District had originally heard it would receive \$5.8 million toward its next bus purchase, but actually would receive \$5.6 million. Those funds would purchase buses and spare parts.

MOTION Ms. Fitch moved that the Board approved the Fiscal Year 1993-94 Capital Improvements
VOTE Program as presented by staff. Mr. Billings seconded the motion, and the CIP passed by a vote of 6 to 1, with Mr. Brandt voting in opposition and all others in favor.

SALARY COMMITTEE RECOMMENDATION FOR ADMINISTRATIVE COMPENSATION FOR FY 93-94: Ms. Fitch, chair of the Board Salary Committee, said that the Committee (Ms. Calvert, Mr. Montgomery, and herself) had looked at comparison information that was basically from the public sector, because of the inaccessibility of private sector information. Based on their review, they were recommending that the salary scale for administrative staff be increased uniformly by 3 percent; that the District's contribution to the retirement plan be increased by an additional .75 percent; and that the District hire a consultant to conduct a comprehensive salary and benefits study of comparable private and public sector positions, and review the District's system for classifying positions. She explained that the consultant would look at benchmark positions, without the involvement of all employees. She stated that it was difficult for the public sector to obtain private sector information, and the consultant would have better access to that kind of information for the District.

Ms. Calvert mentioned that the Salary Committee and staff would continue to try to work on the retirement plan, to bring it closer to the benefits provided under the Public Employee Retirement System (PERS), so there would be some comparability. Ms. Hocken asked if the current rate was 7 percent and would increase to 7.75 percent. Ms. Loobey said this was correct. Mr. Brandt said he was opposed to spending any money on a consultant; he thought

it would be a waste of money, and that no one would benefit from it. Mr. Billings said he was satisfied that the Committee had their reasons for their recommendation, and that he was willing to spend the recommended percentage in the budget. He moved that the Board adopt the Salary Committee's recommendation for administrative salaries and benefits, as presented.

MOTION Ms. Calvert seconded, and the motion carried by unanimous vote.

VOTE

Ms. Hocken asked about vacation accrual, and said she was not familiar with the Consolidated Annual Leave (CAL) plan. She asked whether the Extended Illness Bank (EIB) was in addition to CAL. Ms. Loobey said that it was. She explained that CAL days included one day a month sick leave, plus vacation accrual and holidays. EIB added about three days a year for extended illnesses or hospitalization. Ms. Hocken asked which holidays were included in CAL. Bill Nevell, Personnel Administrator, said that it included two personal floating holidays. Holidays such as New Year's Day, Christmas, etc., were separate.

Ms. Loobey said that staff had studied the issue of vacation accrual and decided it was not as big a problem as the auditors believed it to be. However, it was decided that staff would be required to take off more CAL time as they are employed for longer periods, so they could not build up as much CAL time as they might have in the past.

MOTION **BUDGET COMMITTEE NOMINATIONS:** Mr. Billings moved that the Board approve the nominations of Chris Larson, Mary Gilland, and Rick Crinklaw to the LTD Budget Committee.

VOTE Ms. Fitch seconded, and the nominations were approved by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING:

Board Member Proposal Regarding Self-Employment Tax and Payroll Tax Exemptions: Ms. Hocken said she would like the Board to take some time during the next few months to discuss these two issues, if the Board members thought they were important. Ms. Fitch said she still did not understand about payroll tax exemptions on insurance agents and brokers; her business had tried to pay the payroll tax, but had been told they were not supposed to. Ms. Hocken said that possibly the legislature did not understand what the effect would be, and she thought it was counter-intuitive. She thought the Board should consider whether it would make sense to request a legislative change. Ms. Loobey explained that there had been Attorney General rulings that the law would have to change in order to collect the payroll tax on insurance agents and brokers.

Ms. Calvert asked about the last day to enter new bills during the current legislative session. Ms. Loobey said that she believed the official deadline was imminent. Ms. Hocken asked if the District knew enough about this issue to make a presentation to the legislature about why this bill should deserve a hearing. Ms. Loobey said she did not have background about why the insurance companies were exempt. Ms. Calvert thought staff should touch bases with Tri-Met, because a change would not happen unless Tri-Met wanted it to.

Mr. Brandt asked if staff had checked to see if the State was giving LTD money it was collecting from insurance companies. He explained that insurance companies that register to do business pay a tax, and he felt they should give a portion of that to LTD in lieu of the

payroll tax. Ms. Weaver thought the question had originally been presented to the Attorney General's office inadequately. She said that domestic insurance companies do now pay the payroll tax, but insurance agents do not. She said it would take legislative action to correct this situation. Ms. Weaver said that insurance companies only paid the LTD payroll tax if they had employees located in LTD's service area, but the insurance excise tax was not LTD's tax, and the District received none of that money. Mr. Brandt said that the money that could be collected from insurance brokers and agents was not a lot of money, and staff should not spend a lot of time on this issue. Mr. Montgomery asked if it would be possible to discuss this issue at a Board meeting where the agenda was light, and present a bill during the next legislative session. Mr. Parks suggested asking the General Manager to go through the lobbying groups to have everyone change, not just LTD. Mr. Brandt and Ms. Calvert thought Ms. Loobey should talk to those other groups and work toward a future change.

Ms. Hocken said that the self-employment tax was a larger issue. The people she talked to saw it as an equity issue. She said it could be argued that sole proprietors and businesses were different, but "zero" payments could not be equitable, in her opinion. She thought that some tax should be levied on the self-employed. Mr. Brandt said that the Board had the right to collect a self-employment tax, but Ms. Hocken thought the Board should discuss it further before taking any action. Ms. Loobey asked if the Board would like to see a discussion paper or a draft ordinance. Mr. Brandt said he did not think it was a fair tax, so he was totally opposed. He said he would like to have lead time to get audience discussion arranged.

Ms. Fitch said she would like to see some background information, such as the self-employment collections at Tri-Met. Ms. Hocken asked what information the Board would need in order to make a decision, and whether they thought the definition of self-employment income should be changed. Ms. Calvert said she would want to know what it would mean if the District taxed self-employed people. Ms. Loobey said that LTD's tax revenues were about 10 percent of what Tri-Met received, and when they implemented it, and they expected to receive about \$300,000 to \$400,000 at that time. Ms. Calvert said that the first time the Board considered imposing a self-employment tax, they tried to make it revenue neutral. However, the Board may want to look at a self-employment tax as additional revenue this time around. Ms. Hocken said that the legislature had given the District two statutory ways to raise money, and LTD was only using one of them. Since LTD was looking for other ways to raise money, this might be appropriate. Ms. Calvert said she would like to have some background information brought to the Board. Ms. Loobey said that staff could see where this issue could fit into a Board meeting within the next few months. She said that staff would prepare some background information, including revenue figures, if possible. Ms. Fitch asked if both issues could be tabled until after the Board finished the budget process. Ms. Hocken said there was a fairly long time line before any money could be collected, so the discussion should not be put off too long.

Board Member Reports: (1) MPC: Mr. Billings reported that there was no February meeting of the Metropolitan Policy Committee. (2) CATS: Ms. Fitch reported that the Central Area Transportation Study Citizen Advisory Committee had finished its review of the CATS Update and approved the Update for distribution. There would be no further CATS meetings. Ms. Loobey said there would be an opportunity for Board comment on the draft CATS Update,

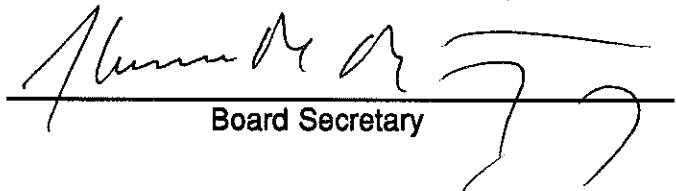
and Mr. Viggiano said that staff would prepare comments about the areas that pertain to transit, for the Board's review.

Eugene Station Update: Mr. Viggiano said that the Federal Transit Administration (FTA) had concurred with the District's decision to perform an Environmental Impact Statement (EIS) rather than an Environmental Assessment (EA). An EIS required quite a bit more federal involvement, and although the project was moving ahead, it was taking a little longer than staff had hoped.

Update on Service Exclusion Report: Mr. Pangborn informed the Board that District Counsel Randall Bryson had revised draft Ordinance No. 36, and it would be brought to the Board at the March meeting. The new draft included an additional section regarding fare evasion. Ms. Hocken asked if the American Civil Liberties Union (ACLU) had read the latest draft. Mr. Pangborn said that Mr. Bryson had talked with Mr. Spinney of the ACLU, and had amended the ordinance in some cases and disagreed with Mr. Spinney in some cases. These areas would be explained in the March agenda packet. Ms. Hocken said that it would be helpful to the Board to receive the ACLU's comments or objections before the Board meeting.

Monthly Financial Report: Ms. Calvert said she found it very interesting that revenues were coming in better than expected. Ms. Weaver stated that the payroll tax was "robust," at 8 to 11 percent over the prior year for the last two quarters, but it was difficult to explain.

ADJOURNMENT: Ms. Fitch moved for adjournment. Mr. Montgomery seconded, and the meeting was adjourned at 9:10 p.m.


Board Secretary