MINUTES OF BUDGET COMMITTEE MEETING

LANE TRANSIT DISTRICT

ADJOURNED MEETING

April 7, 1993

Pursuant to notice given to *The Register-Guard* for publication on April 1, 1993, and distributed to persons on the mailing list of the District, an informational meeting for the seven non-Board members of the Budget Committee of the Lane Transit District was held at 5:30 p.m. on Wednesday, April 7, 1993, in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present:

Appointed Members

Rick Crinklaw
Duane Faulhaber
Gerry Gaydos
Mary Gilland
Chris Larson
Tim Luck
Cynthia Pappas

Mark Pangborn, Budget Officer
Jo Sullivan, Recording Secretary

CALL TO ORDER: The meeting began at 5:45 p.m. with Committee and staff introductions.

1993-94 BUDGET BACKGROUND BRIEFING: Mr. Pangborn gave an overview of the informational materials that had been delivered to the Budget Committee members. He first discussed the relationship between the federal Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the federal Clean Air Act, stating that ISTEA transit and road funding can be withheld from communities that do not meet the federal clean air standards. He explained that Oregon's Land Conservation and Development Commission (LCDC) Transportation Planning Rule/Goal 12 was a result of Oregon's need to comply with the federal Clean Air Act, and the Oregon Transportation Plan included a Special Transportation Improvements Program and a proposed financing plan for transportation programs. Further, Goal 12 mandated that the local Metropolitan Planning Organization (MPO), which in Lane County is the Lane Council of Governments (L-COG), is responsible for ensuring that the local community updates its transportation planning document. Therefore, L-COG had begun a four-year process to update the TransPlan. To implement the federal and state mandates on a local level, the City of Eugene had prepared a draft Transportation Rule Implementation Project (TRIP), which would involve changes to the City Code. The City of Springfield and Lane County also will be preparing similar implementation documents.

The LTD Board of Directors had been discussing these issues during the past year, and would be commenting on the TRIP document and the code changes. LTD Board members had been involved in discussions of local transportation and land use issues through their participation on the Metropolitan Policy Committee (MPC) and the citizen advisory group for an update of the Central Area Transportation Study (CATS). The Board approved six Land Use/Transit Compatibility Principles recommended by staff, which were being used as guidelines in providing input on the various transportation planning documents.

Rather than measuring travel changes by trip reduction ordinances (TROs), Oregon chose to reduce vehicle miles traveled (VMTs), which included reducing trip length and the number of trips, and increasing the number of occupants per vehicle. VMTs themselves were difficult to measure, because of the lack of prior data. One measure would be whether or not the air becomes cleaner. If a local area were a clean air non-attainment area, it would have to demonstrate that it was doing things that were generally accepted to reduce pollution in the community. For instance, a community with polluted air could not build a highway that would increase VMTs, but if the community had polluted air and traffic gridlock, it could build a highway in order to help move traffic through the area faster, and pollute less. Transportation Planning Rule/Goal 12 required that VMTs be reduced by 10 percent within 20 years, and 20 percent within 30 years. The growth in VMTs in the local area has been estimated to be four times greater than the average annual population growth.

Mr. Luck asked what other states were doing to comply with the federal Clean Air Act. Mr. Pangborn explained that the Seattle/Puget Sound area was experiencing traffic gridlock, and Washington had strict guidelines on Transportation Demand Management (TDM), in order to change transportation patterns. Employers from Everett to Olympia with a certain number of employees had to have written plans to reduce employee trips to work on a set schedule for a number of years. In the Los Angeles basin, the problem was dirty air, and beginning in 1994, a certain percent of all vehicles sold would have to be non-polluting, using fuels such as electricity, propane, or liquid natural gas. The Los Angeles area had adopted strict clean air regulations, and was beginning to outlaw two-cycle engines such as leaf blowers, lawn mowers, etc. There were also strict TDM guidelines requiring more car pooling and bus riding to reduce employee VMTs, with strict fines for companies that did not meet the requirements. Los Angeles had adopted stricter emission standards, was building light rail and subways, and had a statewide gas tax for transit. The standards adopted by Los Angeles were similar to those in five or so eastern states with the same kinds of traffic and air pollution problems.

Mr. Crinklaw asked if Oregon's requirement to reduce VMTs by 20 percent over 30 years might be subject to change in the future. Mr. Pangborn said that was very possible. The Portland area was being looked at very closely. Eugene/Springfield used to be in non-attainment, but was currently considered a maintenance area. The ISTEA set complex federal regulations requiring review of progress by a number of organizations at the federal, state, and local level.

Ms. Gilland asked how the high increase in VMTs had been calculated. Mr. Pangborn said it was a difficult thing to assess, but was based on the long-form census responses and traffic counts, with a standard formula nationwide.

Mr. Gaydos commented that as California experiments with alternative fuels, VMTs may not be an appropriate standard. He wondered how often that standard would be reviewed, and what LTD's planning horizon was. Planning Administrator Stefano Viggiano said that LCDC would review the standards every five years. LTD planned four or five years into the future for operations, and 20 years for capital purchases.

Mr. Viggiano briefly discussed the Land Use/Transit Compatibility Principles, and said that people were just beginning to realize the strong relationship between land use and transit issues. The District already reviewed some development plans, but TRIP would give LTD more authority to review plans and make recommendations to the City about requiring transit improvements at new developments. In Eugene, LTD would be asked to review plans for new developments expected to generate a certain number of trips. LTD staff would like to have the same kind of arrangement with the City of Springfield when its Transportation Planning Rule implementation plan is developed. Marketing Administrator Ed Bergeron commented that implementing the transit principles would also make other community services more efficient.

Mr. Pangborn said that LTD was proposing to be more involved in public education about the transit and land use issues and requirements. The Committee would see this as part of the proposed budget for FY 93-94.

Mr. Pangborn also discussed the concept of transit-oriented developments (TODs) and past and future growth within and outside of urban growth boundaries.

In explaining how LTD fit in with the new requirements, Mr. Pangborn said that LTD staff were working directly with employers in a TDM project, to encourage employers to work with their employees to change travel patterns. Some of the options available in the local area to reduce VMTs were car pooling, van pooling, bicycling, LTD group passes, or employer-paid bus passes. In the long run, if LTD needs to provide more service, it will mean finding new revenue sources in future years. The self-employment tax is already available to the District, but the Board had chosen to not implement that tax. The Oregon Transportation Plan financing plan was currently before the Oregon Legislature, and included suggestions for a four-cent a gallon increase in gas taxes for each of the next four years (labeled a "4x4" tax); a vehicle emissions fee; and a statewide election on a constitutional amendment to allow emissions fees to be used for transit operational funding. There has been discussion in Portland about a $125 to $350 annual emission fee, depending on how much pollution was caused by each vehicle. In the Eugene/Springfield area, an emission fee would likely be $2 to $4 per year. However, neither the vehicle emission fee nor the 4x4 gas tax was faring very well before the Legislature.

Mr. Pangborn said that the proposed budget would request a 6.4 percent service increase and money to fund a public education campaign. Mr. Gaydos asked if the public education would be collaborative with other local agencies. Mr. Pangborn said that it would, and commented how far the local community had come in the past five years in terms of collaboration on these kinds of issues. L-COG planned a public information campaign on the TransPlan Update, and LTD staff were working with L-COG staff to see how L-COG's and LTD's issues could be combined. Mr. Gaydos said he had heard people saying that LTD was the transportation expert, and asking for LTD's involvement in that capacity. He thought the public information campaign would be well-received. Mr. Pangborn said that the District was looking at alternative transportation issues with the rest of the community, such as pedestrian, bike, and road issues, rather than only transit issues.

Ms. Pappas asked about LTD's level of responsibility in providing minimum levels of service to outlying communities. She wondered why LTD did not make those decisions on its own, rather than presenting the requests for rural service to local officials. Mr. Pangborn explained that the District received three kinds of service requests: personal requests; bus operator suggestions; and planning staff recommendations. The District's priority was to add service where the existing system was beginning to break down or have problems, such as overloads or late buses on certain routes, because this service was for a known ridership. The greatest impact on VMTs would be in focusing on service productivity, rather than on "lifeline" service, which was service to outlying areas. The rural service generally had lower ridership and a lower tax base to help pay for the service.

The LTD Board's policy was to not impose bus service on a community unless the local elected officials asked for it and the community agreed to pay the payroll tax. The Lane County officials had invited the District to provide service to Marcola, but service to Marcola would be extremely low-productivity service for a high cost, with a low level of payroll tax revenue. Therefore, the District did not provide that service. Service to Cottage Grove and Creswell could be productive, because it was a larger community and LTD had received many residents' requests for service. However, area businesses chose not to pay the payroll tax, so Cottage Grove and Creswell also did not have bus service.

Mr. Crinklaw commented that the laws and LTD were promoting compact development, which would promote higher ridership. Development would not be allowed in the outlying areas, but the need for service would still exist, so the "lifeline" service might be more costly to provide in the future, as development continues in the urban areas. He thought this would lead to increasing competition for services between the dense and non-dense areas. He said the cost of almost any rural service would be higher than urban service, and he thought the responsibility should not all fall to LTD. He added that providing urban service into a rural area did not promote urban development; rather, that was dictated by the codes.

Mr. Luck asked if the Board had approved the service changes for the following fiscal year. Mr. Pangborn replied that the Board had approved a certain level of service to be included in the proposed budget. The role of the Budget Committee would be to say if the budget made sense. The Budget Committee could make suggestions for changes, but it was ultimately the responsibility of the Board, as set by state law, to approve the level of service.

Mr. Bergeron stated that the community's expectations for service from LTD were beginning to evolve. The challenge for LTD would be to see how quickly the District could, or chose to, move into those new areas of service, and at what expense that would be done, in terms of the traditional service mission. He said the Committee would begin seeing those changes in the budget as the District strives to the things that are expected of it by state law.

Mr. Pangborn said that Tri-Met was expecting to triple its ridership in the next ten years, which probably would double its operating costs. LTD was about a tenth the size of Tri-Met, and the relationship of service increases to cost probably would be about the same for LTD. Finance Administrator Tamara Weaver stated that LTD was in a unique position because it still had not tapped into all of the resources currently available, such as the maximum tax rate or imposing the self-employment tax. The District would face additional challenges if those resources were topped out in the future.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned to 7:30 p.m. on Wednesday, April 14, 1993, in the LTD Board Room.

Budget Committee Secretary