

MINUTES OF BUDGET COMMITTEE MEETING

LANE TRANSIT DISTRICT

ADJOURNED MEETING

April 14, 1993

Pursuant to notice given to *The Register-Guard* for publication on April 1, and April 11, 1993, and at the April 7, 1993, Budget Committee meeting, and distributed to persons on the mailing list of the District, an adjourned meeting of the Budget Committee of the Lane Transit District was held at 7:30 p.m. on Wednesday, April 14, 1993, in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present:

Board Members

Jack Billings
Peter Brandt, Treasurer
Janet Calvert
Tammy Fitch, Vice President
Pat Hocken
Thom Montgomery, Secretary
Keith Parks, President

Appointed Members

Rick Crinklaw, Committee Secretary
Duane Faulhaber, Committee Chairman,
presiding
Gerry Gaydos
Mary Gilland
Tim Luck
Cynthia Pappas

Phyllis Loobey, General Manager
Mark Pangborn, Budget Officer
Jo Sullivan, Recording Secretary

Absent:

Chris Larson

CALL TO ORDER: Mr. Faulhaber called the meeting to order at 7:35 p.m., and asked the Budget Committee members and staff to introduce themselves.

PUBLIC COMMENT: Mr. Faulhaber opened the meeting for comment from members of the public. There was none.

APPROVAL OF MINUTES: Mr. Faulhaber said that the previous week staff had provided the non-Board members of the Budget Committee with a summary of events and issues the Board had been discussing during the year. The minutes of that meeting were included in the agenda packet for Committee approval. Ms. Pappas moved approval of the minutes of the April 7, 1993, meeting. Mr. Gaydos seconded the motion, and the minutes were unanimously approved.

MOTION
VOTE

ELECTION OF OFFICERS: Mr. Parks nominated Mr. Faulhaber to continue as Budget Committee Chairman. Mr. Montgomery seconded the motion. Mr. Billings moved that Mr. Faulhaber's nomination be approved by unanimous ballot. The motion was seconded and approved. Ms. Fitch then nominated Mr. Crinklaw for the position of Budget Committee Secretary. The nomination was seconded, and Ms. Fitch moved for a unanimous ballot. Ms. Calvert seconded, and Mr. Crinklaw was unanimously elected to the position.

BUDGET PRESENTATION:

Budget Overview: Ms. Loobey began with a follow-up to the April 7 Committee meeting, when staff had presented the District's strategic framework for the next five years or so, as a result of the mandates of the federal Clean Air Act, the federal Intermodal Surface Transportation Efficiency Act, the Oregon Land Conservation and Development Commission (LCDC) Transportation Planning Rule/Goal 12, and other state and local directives. She stressed that the federal legislation was having an impact upon all areas in the country, and the commonality for all of the states was in air quality. She explained that the local area was considered a maintenance area, because it had improved in air quality during the last ten years to meet the federal clean air standards. She said it would be important to make strategic efforts to maintain that quality within the federal guidelines; otherwise, it would become more expensive over time to make needed changes.

Ms. Loobey said that it was LTD's responsibility to contribute to air quality maintenance. A major shift in how that would be accomplished was the emergence of public transit and alternative transportation as a reliever of private automobile trip-making, which had been measured as growing at four times the rate of population growth. She stated that transportation was "bigger than a bus," meaning that LTD could not solve the problems of reducing vehicle miles traveled (VMTs) by itself. The bus was not the answer for everyone, but a key component in making progress toward the goals to reduce VMTs was the relationship between land use and transportation systems planning. Locally, this relationship was being reviewed through the update of the TransPlan and the Central Area Transportation Study (CATS), and the Transportation Rule Implementation Program (TRIP). Those documents were incorporating transportation and land use principles in a far more cohesive way than had been done in the past. Because the local area had not worked to link transportation and land use planning in the past, it was difficult for people to take the bus for all their business and personal travel needs. The community needed to look toward the future to see how to plan land use and travel patterns in order to maintain air quality. Ms. Loobey stressed that there would be sanctions, in terms of loss of federal highway and transit funding, for not meeting those standards.

The proposed budget for Fiscal Year 1993-94 emphasized two areas: service to take care of a number of issues, such as schedule or overload problems on routes and "holes" in the system where service was not currently provided, and a public education campaign. Ms. Loobey said that the community did not fully understand that attitudes toward alternative transportation needed to be dramatically different, so the community could make rational decisions about the future.

Ms. Loobey said that, rather than all division administrators discussing their individual budgets, panels of staff would discuss the areas of service, marketing, all other budget aspects, and the Long-Range Financial Plan and its implications.

Service: Planning Administrator Stefano Viggiano explained that the Planning division was responsible for making recommendations for service changes, but the direct service costs were found in the Transportation and Maintenance division budgets. He first discussed historical trends in service from 1970 through 1993-94. He showed that the average annual growth in ridership during the last ten years was quite a bit higher than the average annual growth in service. The budget proposed 261,000 service hours in FY 93-94, and staff estimated that more than 5 million person trips would be taken on the system during the year. A goal of reaching 10 million person trips and 400,000 service hours within ten years seemed ambitious, but actually was conservative in terms of the requirements to meet the federal and state mandates. The ridership increase for the past ten years was approximately 70 percent, so staff believed that the goals for the next ten years were attainable. To do so, service increases of 6.4 percent in FY 93-94 and 5 percent per year thereafter would be necessary.

Mr. Viggiano also discussed certain service characteristics, including the estimate that 80 percent of households in the urban area were within one-fourth of a mile of a bus route. The goal for FY 2002-03 was to reach 90 percent. The decrease to 80 percent was due in large part to the fact that during the last ten years, development patterns within the Eugene/Springfield area had been away from major corridors or dense downtown development. It was staff's hope that the TRIP planning requirements, along with other land use actions, would encourage more dense development along major corridors, which would make bus service more productive. Mr. Viggiano said that staff did not expect to increase the daily span of hours greatly during the next ten years. Rather, growth would be concentrated during peak hours. Ms. Calvert asked what LTD's peak hours were. Mr. Viggiano said that traditionally, peak hours were 7:00 to 9:00 a.m. and 4:00 to 6:00 p.m. However, because of the number of school trips in this community, to the University of Oregon, Lane Community College, and public schools, the afternoon peak hour in Eugene/Springfield began earlier. Depending on the route, the peak started as early as 1:30 p.m.

Ms. Pappas asked if staff planned any studies to more adequately determine the number of households near the bus routes. Mr. Viggiano said that they did. The Lane Council of Governments (L-COG) had a geographic data base showing households. Once routes are plotted on the map, the distance to households can be measured.

Mr. Viggiano explained the recommendation for service improvements included in the proposed budget. Staff recommended that 16 requested changes be implemented in FY 93-94. Another five requests had been studied but not recommended for implementation because of budget constraints. There also were a number of service requests that had been ranked as lower priority and, therefore, not studied in as much depth as the top 21 requests.

Transportation Division Costs: Transportation Administrator Bob Hunt presented his vision of service planning and implementation at LTD. He explained that he had said before that Planning plans the service, Maintenance maintains the equipment, and Transportation implements the service. However, a better way to explain this relationship was that

Transportation, guided by Planning's vision and supported by Maintenance's mechanical expertise, breathes life into the LTD system on the road, for the benefit of LTD's customers. The Transportation staff and bus operators respond minute-by-minute to the myriad contingencies that are the natural consequences of such a lively enterprise.

Mr. Hunt said that implementing the recommended service increases for FY 93-94 would require eight more full-time and two additional part-time bus operators in September 1993, as well as a ninth additional full-time bus operator for an expanded vacation board on July 1, 1993. This would increase the number of bus operators from 153 to 164. No additional supervisory staff would be required for this increase.

The District planned to offer two full days of operator training in FY 93-94. One day would be devoted to safety and defensive driving, and one day would cover several areas, including drug and alcohol awareness; customer service training follow-up; the District's expectations of operator job performance; and the District's long-range vision. Other specialized training would be provided, such as customer training for wheelchair lift use, instructor training, training an employee to train others for Commercial Driver's License (CDL) certification, and training the operators to use the new 100-series buses in the spring of 1994.

Maintenance Division Costs: Maintenance Administrator Ron Berkshire discussed the major changes in the Maintenance budget associated with the proposed increase in service. He requested the addition of 1 FTE General Service Worker, because the division was already lacking about half a position to cover the necessary labor hours to complete current work, and the service addition would add labor hours equal to approximately one-quarter position. He explained that some of the duties of the General Service Workers were to fuel and wash the buses, check the oil, look for deficiencies and defects, and change the oil and filters. Based on current productivity, he believed that he would not have to add Mechanic work hours, but that probably would be necessary in the future.

Mr. Berkshire said that the percentage increase in fuels and lubricants consumption would be about two-thirds of the percentage of service increase. Additionally, the Clean Air Act required that by October 1993 transit districts would use a "clean" diesel fuel, or fuel that had been distilled to a lower sulfur content and produced fewer emissions. Experts had anticipated a price increase of about 12 cents per gallon, but supply and demand issues were still uncertain, so there was a potential for a drastic price increase for at least a short time. LTD staff had projected the cost for fuel at 92 cents per gallon, and Mr. Berkshire was comfortable that this was a reasonable estimate.

Mr. Berkshire said that parts consumption would increase to some degree. Parts costs had increased by 10 percent for each of the last two years, which was more than the inflation rate, possibly because there were limited manufacturers from which to purchase bus parts. The Maintenance budget also included an increase in replacement parts for aging buses. New 100-series buses would begin an implementation phase in the spring of 1994, and would be on warranty for at least a year.

Mr. Crinklaw asked how a federal energy tax might factor in. Ms. Loobey said she had not heard whether or not there would be an exemption for diesel fuel for public transportation,

so that issue was indefinite at this point. There was a potential that this tax could increase the cost of fuel for the District.

Ms. Pappas asked if other transit districts had switched to low sulfur fuels. Mr. Berkshire replied that Los Angeles was using some, but found it difficult to obtain. Locally, some distributors were not even sure what this fuel was.

Ms. Gilland asked if any bus components would have to change in order to use the "clean" fuel. Mr. Berkshire said they would not. He added that the "non-clean" fuel would be dyed, so that it would be obvious which fuel was being pumped.

Mr. Billings asked about the miles per gallon characteristics of the new fuel. Mr. Berkshire said that, based upon very little experience, there seemed to be a slight decrease, possibly one or two tenths. Mr. Billings then said there had been some inquiries in a public forum about using smaller, more "attractive" buses, and asked what impact that might have on maintenance, parts, facilities, etc. Mr. Berkshire explained that 20-foot buses were usually in the automotive class of coaches, and would probably be a Dodge, Ford, or Chevrolet chassis with a fiberglass body, such as those used for some kinds of shuttle services. The costs to maintain this kind of bus were slightly lower than for 30- to 40-foot buses, possibly 5 to 10 percent lower. However, the automotive class bus had a shorter life span, so the capital investment would almost double. A 30-foot bus would be a heavy-duty bus chassis similar to the buses the District currently used. The only difference would be the distance between the front and rear axle, so mechanically, 30-foot, 35-foot, and 40-foot buses all would be the same, and a 30-foot bus would cost as much to maintain as a 40-foot bus. A 35-foot bus got about five miles to the gallon, and a 40-foot bus got about 4.6 miles per gallon, so there would be a slight savings there, but that would be offset by the lower number of people the shorter bus could carry. Mr. Billings asked if 20-foot buses would require a new parts inventory. Mr. Berkshire said that they would require a completely new inventory, and new requirements for mechanics' knowledge, which would not be insurmountable, but would be costly in terms of training. Mr. Hunt added that changing to 20-foot buses would require a lot more bus operators, because more would be needed on each route to carry the same number of customers.

Ms. Fitch asked if the staff normally ordered extra parts when ordering new buses, as a cost-saving measure. Mr. Berkshire said that they did. Buses were purchased with capital funds, so the District always also ordered the larger components such as spare engines, transmissions, and differentials, in order to use 80 percent federal capital funding rather than operating or local funds. In addition, he said, new federal regulations now allowed some regular operating parts to be purchased with capital funds. The FY 93-94 budget included tires as a capital expenditure for the first time, as well as engine kits to overhaul engines. Mr. Luck asked if the difference between the FY 92-93 and FY 93-94 parts budgets was the fact that tires were no longer an operating expense. Mr. Berkshire said that was correct, and that the \$100,000 increase in the parts budget was due to a 10 percent increase for inflation; 5.6 percent for the growth in parts purchasing; and a 6 percent increase in parts due to the service increase. Mr. Brandt said that if the cost of tires were subtracted before computing these increases, the percentage increase was too high. Mr. Berkshire explained that costs for shop tooling, supplies, bus washing solvents, bus cleaning chemicals, etc., were lumped in with

parts and tires, but he had been discussing only parts and tires and not these other costs. Mr. Luck said that numbers were hard to compare from year to year when items were moved to other areas of the budget.

Ms. Loobey said that staff would prepare more detail about the parts and tire costs, and other line-item costs, for the next Budget Committee meeting. Ms. Calvert asked if the District bought the same number of tires each year. Mr. Berkshire replied that about four years ago, staff had tested radial tires and learned that radial tires provided from double to triple the tire wear. Two years ago, the District had totally converted to radial tires, resulting in a decline in tire costs for the next two years. The \$45,000 included for tires in this budget was less than the cost for tires six years ago.

Marketing Public Information Campaign: Ms. Loobey said she was present on this panel to express her firm belief that the challenges facing the community and District were significant and compelling. She believed that LTD, as a member of a larger community of agencies, needed to begin a public education component. She explained that LTD had not spent a lot of effort during the last few years in the public education area, as it had a number of years ago. Significant changes in the Marketing budget included research, to find out what the community already knew about the service issues being discussed with the Budget Committee. Ms. Loobey said that the Marketing budget was ultimately about changing attitudes, with the hope that this would result in a change of behavior. The Eugene/Springfield area's population growth was moderate enough so that the community could make incremental land use and transportation planning changes now that would avoid problems that would have to be corrected later, as the Puget Sound area in Washington and the Portland, Oregon, area were spending great amounts of money to do. Ms. Loobey said that information campaigns could make a large difference in behavior, as evidenced by recycling efforts and community awareness of drunk driving and smoking issues. She said that those kinds of campaigns had required mass amounts of public education, and people had responded to those efforts. People also had responded to LTD's prior education campaigns. The District had now completed the Comprehensive Service Redesign (CSR), and needed to go back to the public with education and research efforts in order to move forward over time.

Marketing Administrator Ed Bergeron said that the Marketing budget had to accomplish a lot within only about 4.4 percent of the District's resources. He found he was unable to fund the necessary new programs without a restructuring of the Marketing division. Therefore, he proposed leaving a Marketing Representative position vacant next year, and moving those resources into Materials & Services to help accomplish the goals for FY 93-94. He also proposed completing the Graphic Artist reclassification status to full-time, to take advantage of LTD's increased computer hardware and software capabilities to perform desk-top publishing in-house. He said that many of the District's informational materials could now be produced in-house, using the design expertise of staff. Mr. Bergeron also proposed that the 3/4-time Marketing Assistant position be increased to full-time, to help offset the loss of staff services from the vacant Marketing Representative position, and that nearly all the temporary help budgeted in prior years be eliminated. These three recommendations resulted in a savings of \$21,000 for the year, which would be reprogrammed to Materials & Services.

In Materials & Services, a market research fund would be established, because Mr. Bergeron did not recommend beginning a public education campaign without first knowing what the public already knows and understands. Public education costs could also be found in the line item for ad agency fees and media. Money would be saved by producing almost all the District's informational materials in-house, and by eliminating the use of timetables. Mr. Bergeron explained that about ten years ago, the District began supplementing the timetables with a comprehensive Rider's Digest, which contained information for use of the entire system. Now staff were proposing to eliminate the waste associated with individual timetables, but the public would have to be educated about using the Rider's Digest for their trip planning needs.

Mr. Bergeron said that the primary goal for the educational campaign was to help the public understand the problems associated with past and current transportation patterns, the federal, state, and local mandates for change, the alternative modes choices available to them, the land use/transportation planning choices that the community would have to make, and what LTD's role would be in all of this. Another goal was to call people to action and ask them to make changes in their transportation patterns and land use choices for the community. Staff saw the benefits to the community as a better understanding of choices and costs, an enhanced ability on the part of the community to chose alternate modes of transportation, and a hoped-for change in behavior.

Mr. Crinklaw asked what the advertising agency would offer in addition to in-house expertise and computer capabilities. Mr. Bergeron stated that LTD employees were not experts in the buying of mass media or in understanding how mass media works most effectively. The advertising agency does this for many clients, and is able to analyze the information to help their clients get the most out of their advertising dollars. The District's proposed market research would help LTD understand which market segments need specific information on certain issues, but staff were not experts in knowing which media were more effective in communicating certain messages. The ad agency staff were the experts in understanding those issues, as well as related changes in the community over time.

Mr. Crinklaw also asked if it was LTD's intent to learn from the outside agencies and gain the expertise to perform these ad agency functions in-house in the future. Mr. Bergeron said it had been LTD's practice in the past to learn from consultants and take over some functions in-house. This was being done with in-house publication of more and more informational materials, especially because of the computer hardware and software capabilities at the District. With market research, at times LTD hired consultants, and at times used staff expertise in certain areas. However, staff were not expert in handling media campaigns, and probably never would be, because those kinds of campaigns were not done on an ongoing basis. If it evolved to be more efficient to perform this function in-house in the future, staff would not be reluctant to do so, but Mr. Bergeron said he would not want to try to have the staff resources to perform this function in-house on an ongoing basis unless the District planned to perform this activity on an ongoing basis. Also, there were economies of scale that would be difficult to achieve at LTD's level of advertising activity.

Ms. Fitch asked about the use of local printing companies. Mr. Bergeron explained that some of the printing that used to be done locally was now being done outside the community,

because of the public bidding process. Some of the printers who used to bid on the District's projects had gone out of business, and last year the low bidder for the Rider's Digest was in McMinnville and the low bidder for the system map was in Portland. The *Springfield News* had printed the Rider's Digests in the past, but had been outbid in recent years. Some of the smaller print jobs were still being done locally. Ms. Calvert wanted to clarify that the creation of pieces was done in-house, but printing was not. Mr. Bergeron said that was correct, and added that staff would produce camera-ready artwork for printing by outside vendors.

Mr. Brandt asked if LTD's ultimate goal was to increase ridership or to explain someone else's laws. Mr. Bergeron said that LTD's goals were evolving. Ridership increases were important, as they had been in the past, but the community's mandate to reduce vehicle miles traveled (VMTs), and LTD's role in that mandate, were evolving. Because of this mandate, staff wanted people to ride the bus, but also wanted them to use alternative modes of transportation if the bus did not work for them.

Mr. Brandt asked where LTD received the mandate to educate the public about other modes of transportation, such as bicycles. Ms. Loobey explained that through Transportation Demand Management (TDM) projects, the District was looking at a variety of ways to serve the transportation needs in the community. She used the example of a representative from Molecular Probes who attended a Board public hearing on service to ask about ways to get more employees out of their cars and into buses and car pools, etc. Portions of the law say that alternative transportation must play an important role in reducing VMTs. Ms. Loobey said that VMTs could not be reduced without a wide range of choices. The Transportation Planning Rule, the Clean Air Act, and the financing available through the Intermodal Surface Transportation Efficiency Act (ISTEA) provided for air pollution reduction funds, and mandated that communities make different choices about the use of transportation dollars. There was no longer a restriction that highway funds be used only for highways, so the implications and direction were there.

Ms. Calvert thought that the easiest increases in ridership may have occurred during the last couple of years with group pass programs, and the District may have to work harder to double ridership in the next ten years. Ms. Loobey said that if the community did not make progress toward air quality, certain restrictions would be imposed by the federal government, including requirements for employers to provide alternative transportation for their employees. She said that the local community had an opportunity to make incremental investments in the transportation infrastructure that other areas, such as the Los Angeles basin, could not do. Like the Los Angeles area, if the Eugene/Springfield community did not make progress in an incremental way now, it would have to make that investment faster and at a higher cost in the future.

Ms. Pappas asked if LTD would create partnerships with other organizations in the public education campaign, to share the burden of education about community issues. Mr. Bergeron said that those partnerships already were coming together. LTD staff were working with L-COG staff on the community education process for the TransPlan Update, and on how to enhance the community's involvement in the update process. Mr. Bergeron also was on L-COG's research task team, and Mr. Viggiano was involved in other ways. LTD staff had been working with City of Eugene staff and area employers on the Curb Your Car TDM project.

City of Springfield staff were also involved in some of these meetings, and all local governments were trying to "fly in formation" on these issues.

Mr. Parks asked under whose name the advertising would be done. Mr. Bergeron said that LTD's community education process would be LTD's advertising. Mr. Parks asked if LTD would then be paying because the City lacked the money to handle the public information campaign. Mr. Bergeron said that it was not a question of lack of money; rather, staff had judged it to be LTD's responsibility to implement programs which educate the community about transportation issues, and encourage the switch to alternative modes. Mr. Parks said he thought cooperating was important, and that some of this was LTD's responsibility, but he was not sure about LTD's mandate to do this.

Mr. Montgomery asked about the bulk of information to the community about alternative transportation, whether it would be presented in a manner that would increase LTD's ridership, or whether it would be purely informational about alternative transportation issues. Mr. Bergeron said he thought that LTD had control over the message, and that staff's direction was one of being the friendly persuader. However, in order for people to change behaviors, they had to have a lot of knowledge. He said that cities had been designed based on 50 years' experience with the private automobile. If the public could be convinced that cities must be built more densely, that eventually would make transit more efficient. He said that the community would have to cover some ground before there would be great changes in attitudes and behaviors, and that some steps may eventually lead to bus use. For instance, someone for whom the bus does not currently work well might try car pooling, and possibly become a bus rider when the community develops more densely.

Mr. Bergeron said that the public information campaign was aimed at reducing VMTs, and LTD's role would be determined and finalized through the TransPlan Update. The District's role currently was to help the community learn to reduce VMTs, a role which was being predicted based on the experience of other cities.

Mr. Montgomery said he could envision a campaign financed by anyone but LTD that addressed the entire matter very effectively, and he could see LTD financing the same thing and not getting the direct advertising benefit from the money spent. He thought that if LTD were to spend the money, it should be clear that the District was advertising to increase its ridership, not just in order to put forth a message. Mr. Bergeron said he agreed; he thought that everything LTD did ought to benefit the District and be consistent with its role as the community's transportation provider. Ms. Loobey said that one way to get people to ride would be to explain the almost 12 percent increase in service during FY 92-93 and FY 93-94, and help them make the choice to ride, within the community's context of its need to reduce VMTs. She said the advertising target was a combination of the community need and increasing ridership, and was more comprehensive than it had been in the past. If a person is unable to ride the bus to work and back five times a week, the goal should be to get that person to ride once a week at first. People tended to ride the bus when they saw a direct or immediate benefit for themselves, such as to football games or during snowy and icy weather. Ms. Loobey said that staff wanted to get the information to the public about the long-term benefits for themselves and the community.

Mr. Luck said he was having difficulty talking about a marketing campaign that had not been developed; it was hard to see the benefit to LTD and how much of the campaign would be perceived as beyond the scope of LTD's business. He said it seemed to be a strategic direction that the Board had not discussed. Ms. Loobey stated that LTD had not made major efforts in the marketing budget for a number of years. The transportation issue before this community and every community in the country was very large and complex, and had behind it the force of law and policy. Ms. Loobey said that the Board had been talking about the requirements of the Clean Air Act and the Transportation Planning Rule for the last two years, and the deadlines for implementing strategies were approaching. In three or four years, the community would have updated the transportation plan and land use plan for the metropolitan area. Those updates were being completed at the same time because they had to be linked together to make progress. Ms. Loobey said that part of LTD's role was not only to inform the community of changes, but to engage them in a dialogue about the changes. She recalled the debate about the goal for modal split that delayed the last update of the transportation plan, because of the disparity between local units of government, and the community did not become engaged in that debate in a meaningful way. The community now did not have the luxury of disagreement or delaying the current TransPlan Update, because the loss of funding would be involved. LTD, as the major transportation provider, had the key role of informing people of how LTD sees the future, and engaging them in that debate, and that could only begin with an educational plan.

Ms. Calvert said she was hearing Mr. Luck say that the Board had not discussed the education campaign. Even though the Board had discussed the major issues before the community, this was the first they had discussed the media campaign. Mr. Luck said that was what made him uncomfortable, that the Board had not talked about this significant expenditure and was not convinced that it was worthwhile or would achieve the desired results.

Ms. Loobey said this was a much broader issue than just this community's transit issue. She had read in the newspaper that three auto makers were discussing combining their efforts to build an electric car because the federal mandates said people needed to start using alternatively-fueled vehicles. The local community had not been involved in a debate of its transportation future in the same way that larger cities had, and had not seen the same numbers and kinds of related articles in the newspapers as were seen in larger cities. She said she did not believe that the Eugene/Springfield community was yet at the point of understanding all of the implications of the federal, state, and local legislation.

Ms. Hocken thought that the problem was that, in order to motivate an increase in bus ridership, staff were feeling that the District had to provide a much more global view of why people need to ride the bus. She suggested that if the advertising concentrated on the global approach to reducing VMTs and gave a higher priority to transit than to other alternate modes of transportation, that might eliminate some of the objections she was hearing in that evening's discussion.

Mr. Parks thought that 95 percent of this campaign was covered by general purpose government's responsibility, and he did not know whether or not he wanted to approve it. Mr. Brandt said he saw that LTD was getting into a social and political agenda, and he did not believe that was LTD's job. He thought that LTD should help accomplish the community's

agenda, but should not spend money on that kind of social agenda. He thought the advertising campaign would be talking about things with which the people who paid 80 percent of the District's operating expenses would not agree, and he did not think the District should be political in that way. He noted that the budget proposed to spend more on the increase in the marketing budget than was paid for by the ridership increase, which he said was a ludicrous way to spend money. He said that if the campaign's focus was on increasing ridership, then maybe he could be convinced that it was appropriate, but so far the Board had not discussed LTD's agenda with respect to convincing the public.

Mr. Parks said there was a need for a program or plan that the Board could see. Mr. Montgomery said it would help him if he could see, at the next meeting, a draft or sample advertisement that would inform the community and also indicate that LTD is the answer to how to accomplish the goals. He said if he could see the direction in which the money would be spent, it might help convince him.

Mr. Gaydos suggested that the Budget Committee identify the issues and let the policy makers set the policy. He thought the Budget Committee should say that there was a great concern on the part of the Committee, and the Board should consider that concern, and if the budget were approved, the Board would have the ability to shift some money when the campaign is finally approved by the Board. Ms. Pappas echoed Mr. Gaydos' comments. She thought that the Committee's role was not to design the campaign; rather, it was to make sure that the resources were available so staff could do their job.

Mr. Brandt said that there was a big difference between spending the money for an educational campaign or for new service. He thought that, although the Board would ultimately make the decision, the Budget Committee, as members of the local community, should have some input, because these were community resources, and LTD would be laying a direction on how the resources were going to be spent.

Customer Service Center Component of Educational Campaign: Customer Service Administrator Andy Vobora explained the CSC's component of the proposed educational campaign. In the Professional Services line item, some money had been included to revise some of the educational materials provided by LTD. The focus of the materials was to change behaviors of school kids who would be living in this community 30 years from now, at the horizon of the mandates in the federal law. The program provided school field trips for elementary through middle school grades, for the most part. The field trips were taken on the regular system, and students, teachers, and parents rode the buses, used transfers, and saw that the system worked and was clean and safe. The materials being used were developed ten years ago, and staff proposed to update them.

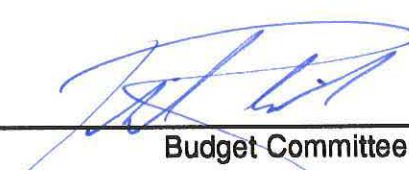
Ms. Calvert asked if this would be a one-time expense. Mr. Vobora said that it would, with some annual printing costs. Mr. Brandt asked why professional services costs were so high in 1991-92. Mr. Vobora said that the mall guides costs originally were included in the CSC budget, but were now in the Transportation budget.

Ms. Fitch asked if any school officials had been talking with LTD about the possibility of cuts in school bus service, and what impact that would have on LTD. Mr. Pangborn stated

that with the change in Measure 5 and school funding, the State had determined that it would compensate the school districts directly for bus service, which used to be a local determination, so the school districts had generally gone ahead and provided bus service for their students. Mr. Pangborn did not know what would happen with the next step in the cutbacks, but it could mean that school districts would not receive enough funding from the State to cover the costs of providing the transportation. He said it was fairly typical of major urban areas that students rode public transit, and if that happened in the Eugene/Springfield area, it would have a large impact on some routes and service.

Mr. Faulhaber proposed that the Committee call an end to the meeting and continue the discussion the following week. Staff would be prepared at that time to respond to the requests for more information from the Committee, such as for a further discussion on parts and tire costs. Ms. Hocken asked for some information about fringe benefits increases, which looked as if they were increasing at a larger percent than salary costs. She wondered what was generating those increases. Ms. Pappas asked for information on training costs as a percentage of the overall budget.

ADJOURNMENT: It was moved and seconded that the meeting be adjourned to Wednesday, April 21, 1993, at 7:30 p.m. in the LTD Board Room. There was no further discussion, and the meeting was adjourned at 9:45 p.m.



Budget Committee Secretary