MINUTES OF BUDGET COMMITTEE MEETING
LANE TRANSIT DISTRICT

ADJOURNED MEETING

April 21, 1993

Pursuant to notice given to *The Register-Guard* for publication on April 1 and April 11, 1993, and at the April 14, 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 7:35 p.m. on Wednesday, April 21, 1993, in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present:

Board Members	Appointed Members
Jack Billings	Rick Crinklaw, Committee Secretary
Peter Brandt, Treasurer	Duane Faulhaber, Chairman, presiding
Janet Calvert	Gerry Gaydos
Tammy Fitch, Vice President	Mary Gilland
Pat Hocken	Chris Larson
Thom Montgomery, Secretary	Cynthia Pappas
Keith Parks, President	

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

Absent:

Tim Luck

CALL TO ORDER: Mr. Faulhaber called the meeting to order at 7:35 p.m. Mr. Brandt and Mr. Montgomery were not yet present.

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

MOTION

VOTE

APPROVAL OF MINUTES: Ms. Fitch moved that the minutes of the April 15, 1992, Budget Committee meeting and the April 14, 1993, Budget Committee meeting be approved as distributed. Mr. Crinklaw seconded the motion, and the minutes were approved by unanimous vote. (Mr. Brandt and Mr. Montgomery were not yet present.)

CONTINUE BUDGET DELIBERATIONS: Budgets for service, the Transportation Division, the Marketing Division, and the Marketing public education campaign had been discussed at the April 21 budget meeting. The remaining division budgets were for support services, which Mr. Pangborn summarized for the Budget Committee.

General Administration: Mr. Pangborn discussed the significant changes in the General Administration budget, as outlined on page 2 of the Division Budgets section of the budget packet. He explained that the increase of $3,200 in training expenses for management training for administrative staff was part of an ongoing effort to increase problem-solving skills, efficiencies, etc. Staff were also recommending that a management audit be conducted. Because the administrative functions of the District had been the same for many years, staff proposed to hire an outside consultant to review the management duties and recommend any changes that would increase productivity and efficiency. Staff were aware that some fare evasion was occurring, in the form of nonpayment of fares, counterfeit passes, etc., and were recommending that a fare evasion study be conducted, to determine whether the fare evasion was occurring at a high enough level to warrant corrective action on the part of the District. A third study that staff were recommending was to begin development of a long-term plan on the impact on LTD of Goal 12 implementation. Mr. Pangborn said that how the District and the community fit in with the Transportation Planning Rule implementation was a complex issue, and the proposed study would allow staff to hire someone to assist the staff and Board in mapping out a course for the next few years. (Mr. Montgomery arrived during this discussion.)

Finance: Mr. Pangborn said that audit fees and legal advertising costs would increase in FY 93-94, but there were no significant changes. Finance would enter phase two of a three-year project to bring the payroll in-house. Because the District's payroll was complex, due to many work rules, etc., it would be more efficient to computerize and run payroll in-house from beginning to end. Mr. Faulhaber asked if staff were developing the system to bring the payroll in-house. Finance Administrator Tamara Weaver said that the District already had good software for the employee scheduling, so Finance would be tapping into that in order to pull out all schedules, holidays, etc., and make that information available to Finance as part of the gross payroll calculations. This new data base would also provide information for major reporting requirements, such as for the federal Section 15 report. Funding and installing a commercial (non-custom) payroll program would be the second phase. The final phase would be to computerize the dispatch desk in order to obtain more information needed by payroll via computer. Mr. Faulhaber wondered if staff would be hiring outside consultants for this project. Ms. Weaver said that staff had been working with an outside programmer/consultant, but planned to do the bulk of the work for less than $14,000.

Management Information Services (MIS): Mr. Pangborn stated that the MIS Materials & Services budget was somewhat lower, and MIS had proposed a one-time cost of $5,000 to hire a consultant to assist in the identification of strategies to better integrate the District's information databases.

Mr. Brandt arrived at this point in the meeting.

Risk and Safety: Mr. Pangborn said that the significant changes for Risk and Safety occurred in the Risk Funding budget, shown on pages 37 and 38 of the Division Budgets section. He explained that the District had moved in the direction of 100 percent self-insuring following insurance cost increases in the 1980s. However, costs had decreased and the District returned to buying insurance. Since it no longer made sense to have a separate Risk Fund, it had been moved to the General Fund in FY 92-93. State budget law required that the District maintain a history of the Risk Fund for the next two years, so the history for FY 90-91 and 91-92 was shown in a separate Risk Fund section in the budget packet.

Staff were recommending an increase in Self-Insurance Retention (SIR), or deductible. That issue would be taken to the Board for approval at its April 28 meeting. Staff were also proposing to use the premium cost savings to increase reserves. After the reserves reached a certain level, probably in a couple of years, the budget would begin to show a savings in risk funding. If the Board chose to not make these changes, the funds would be taken out of the reserves and the costs would be the same.

Staff were also recommending an increase in the umbrella liability policy from $1 million to $5 million. Mr. Pangborn explained that in Oregon there was a public tort liability limit, so that in the case of a bus accident resulting in injury or death, the District could be sued for up to $200,000 per person or $500,000 per accident. However, there was no federal tort limit, and staff believed it to be prudent to increase the umbrella coverage by an additional $4 million. Finally, staff were proposing to add earthquake/flood insurance.

Ms. Fitch asked about the percent deductible. Ms. Weaver replied that it was between 2 and 3 percent. Mr. Pangborn added that 70 percent of the Glenwood facility was built with federal funds. In the event of a substantial loss, LTD would be required to rebuild the facility to its previous state at LTD's own expense, with no additional federal funding.

Ms. Pappas asked if staff had received new information which led them to believe they needed to increase the umbrella coverage by $4 million at that time. Safety and Risk Administrator Kim Kaiser said since she had been with LTD, about one and a half years, she had been concerned about the low coverage. She had spent time researching the question, and, based on discussions with attorneys and other agencies, had decided that it would be wise to raise the limit. Mr. Pangborn added that LTD had not had any suits of that magnitude, but with new Americans with Disabilities (ADA) regulations, for example, there could be a higher possibility of federal suits for noncompliance. Ms. Calvert commented that just the fact that LTD carries more and more people with disabilities could mean a higher chance for a suit in federal court.

Facilities Maintenance: Mr. Pangborn explained that the District separated Facilities Maintenance from Bus Maintenance, into a one-person division. The Facilities Maintenance Coordinator was responsible for the supervision of a number of maintenance contracts. A significant change in this budget was a reduction in Materials & Supplies due to the expected transfer of the 8th and Garfield property to the 4J School District. Because there were federal delays in this transfer, Ms. Gilland asked if the property could be rented for other uses in the meantime. Mr. Pangborn said it could not; under LTD's contract with the Federal Transit Administration (FTA), the property had to be used for public transportation purposes. Also, there were large holes in the parking lot where tanks had been removed, and LTD did not plan to spend any more money to bring the property to a usable level before the sale was finalized.

The Facilities Maintenance budget also included $10,000 to seal the Glenwood property parking lot, and increased costs for cleaning at the transit stations and bus stops, as well as at the additional transit station at the University of Oregon.

Planning: Mr. Pangborn said that the significant change in the Planning budget was the addition of an Origin and Destination (O&D) survey, done every three or four years. Staff planned an O&D survey for the spring of 1994, which would give the fall 1992 Comprehensive Service Redesign (CSR) time to be in place before staff surveyed its effectiveness.

Special Transportation Fund: Staff proposed taking the Special Transportation Fund (STF) out of the General Fund and creating a separate fund. The STF budget on pages 28 and 29 of the Division Budgets section showed the history of the fund, but the proposed STF budget for FY 93-94 was now shown in a separate section of the budget packet. He explained that the STF was for service for people with disabilities that prevented their use of the regular fixed-route service. The ADA required that LTD provide a comparable level of service to the fixed route, and, although the District had always been progressive in providing special transportation, additional funding would be required for the next couple of years to meet the requirements of the ADA. LTD contracted with the Lane Council of Governments (L-COG) to provide the special transportation, and L-COG subcontracted out the service and administered the program. Special Transportation Fund flow-through funds, the largest source of revenue for this program, were received from tobacco taxes, shown as revenue by LTD, and passed on to L-COG. LTD also added funding from the General Fund, in the amount of $111,000 in 1990-91 and $294,000 during the current year.

Because the STF revenues were flow-through funds, the District needed to budget for the maximum amount that might be received; those funds would be passed on to L-COG in the same amount as received. LTD's contribution to special transportation funding would increase by $88,800 in FY 93-94, and would increase again in 1994-95, to meet the requirements of the ADA. Thereafter, any increases primarily should be inflationary increases.

Training: Personnel Administrator Bill Nevell discussed the question raised by Ms. Pappas at the April 14 budget meeting about the percent of the total budget that was allocated to training. Mr. Nevell said that training money could be found in two places--in the Training and Travel line-item, and in the Professional Services category. Training and Travel funds generally included all staff expenses to attend specialized training or conferences. Other training costs were found in the MIS budget, for consultants to train staff on computer software applications, and in the Personnel budget, for a long-range training plan to be developed with the help of a consultant. Mr. Nevell explained that this would be a three- to five-year plan which would project the skills and training that employees would need in order to meet the District's goals. The District would also provide drug and alcohol awareness training, to train supervisors to comply with new federal regulations. Transportation Division training costs would include training 16 new bus operators, including operator-instructor wages for providing the training, and paying operator wages to cover the runs of bus operators who were in training.

Mr. Nevell said that training and travel amounted to 1.4 percent of General Fund expenses, and 1.2 percent of the entire LTD budget.

Ms. Pappas asked if the District had enough training needs to keep the operator-trainers busy year-round. Ms. Loobey explained that these trainers were full-time bus operators who were also trained to provide the new operator orientation training.

Mr. Brandt asked how many people would be trained for the $97,000 allocated for two days of training. Transportation Administrator Bob Hunt replied that it would cost almost $5,000 for two days of training for the part-time bus operators, and $29,000 for two days of training for the full-time operators. It would cost $4,000 to provide training for instructors for defensive driving and safety training, and an outside consultant for the second day of training (drug and alcohol awareness, follow-up customer service training, vision and employee expectations) would cost approximately $25,000, based on $125 per hour for 200 hours.

Mr. Brandt asked if $35,000 in operator wages for the training had been subtracted from the Transportation budget. Mr. Hunt said that it had. Ms. Pappas asked about the full-time equivalent (FTE) for District employees. Mr. Nevell said the District had about 250 employees, and the training budget covered all employees.

Personnel and Risk and Safety: Mr. Nevell explained that the Personnel and Risk and Safety divisions were each one-person divisions, supported by one secretary. The duties for each division had grown substantially due to the increase in the number of employees, rapid expansion in the regulatory arena, and changed organizational expectations, such as Personnel's increased involvement in training. Rather than asking for more staff, these two divisions had proposed an additional $5,000 in the temporary unclassified category, to hire temporary personnel to help with a variety of projects and work issues throughout the year. An additional $5,000 had been added in professional services, for contractual services that may need to be purchased by these two divisions. For instance, he was looking into the possibility of hiring an agency to help with unemployment issues, such as auditing claims and providing legal services at trials or hearings.

Mr. Nevell said staff would evaluate this strategy at the end of the fiscal year, to see how effective it had been in meeting the needs of the District. Ms. Pappas asked if staff had looked at the costs for a half-time employee. Mr. Nevell said that staff had considered a number of different options, and the recommendation for temporary personnel and additional contractual services seemed to work the best at this time.

Funding for a compensation survey was also included in the Personnel Division budget. The Board had approved spending up to $10,000 to compare the District's salaries and benefits with those of public and private employers. It had been seven years since the last compensation survey, and staff wanted to gather this type of data to see if the District was still meeting the goals of the compensation package. A staff survey of benchmark positions a couple of years before indicated that LTD averaged 8 to 11 percent behind the market for comparable positions. This lag had been an issue in recruitment for a couple of positions, in which the District had to offer a salary above the beginning salary for the positions. Mr. Nevell said that there had been questions from the Board and the Budget Committee the last couple of years about how LTD's salary and benefits related to those of other organizations.

Mr. Nevell said that the information from the compensation survey would be taken to the Board Salary Committee for review.

Ms. Pappas said it seemed that this was an issue facing a number of public agencies, and she wondered if there had been any discussion of pooling agency resources in a joint compensation study. Mr. Nevell replied that one of the issues was the need to look at specific positions and duties, so a joint effort would have to ensure that the study considered comparable positions and organizations. Some things would be the same across organizations, but some would be unique to each organization.

Mr. Crinklaw asked if this study would address all positions in the organization. Mr. Nevell explained that it would cover only the non-union staff positions. Ms. Calvert said that she was on the Board Salary Committee, and that it had been difficult to gather information from private companies, and LTD had no information about how it compared with the private sector. Consultants would have better access to more information.

Mr. Faulhaber asked how many positions would be reviewed. Mr. Nevell said that the study would look at benchmark positions in various grades on the salary schedule. LTD had about 40 staff in 20 to 25 different positions. The study would look at a representation of the positions.

Ms. Hocken asked how a study like this would take into account and evaluate the fact that salary levels at various locations would vary. Mr. Nevell said that staff did want to address that issue. The study would look at comparable organizations in terms of size and community population, geographical area, etc. There were equations to account for differences in the sizes of cities or other factors, and that was part of the reason for wanting to hire a consultant. Mr. Brandt said he read a study that showed that all government employees were overpaid in relation to private employees, especially in terms of fringe benefits. He thought it would be interesting to obtain that survey. He added that he was the only Board member who had opposed approving the compensation study, because all government agencies compare themselves with each other and the fringes and benefits keep going up. He said he was still against spending the money in this way, but if the study was going to be done, it would have to compare what was going on in the private sector. He said he did not think the public sector was realistic anymore.

Ms. Hocken asked if there would be current, relevant private sector data on the business economic census done that year. Mr. Nevell said he was not familiar with that document. Mr. Brandt thought that the data from this census would be skewed, because it was just people putting down whatever information they wanted to on a form.

Mr. Crinklaw asked if the District had retention and recruitment problems in certain areas that were partially motivating the survey. Mr. Nevell said the problems were primarily in the recruitment area. During the last couple of years, LTD had trouble attracting people to certain positions unless the salaries were started at 80 to 85 percent of the maximum, rather than the usual 75 percent. The turnover among staff employees at LTD was relatively low, and staff wanted to ensure that it remained low in the future.

Mr. Faulhaber asked if the Board had approved this expenditure. Mr. Brandt said it had, but only with respect to salary range increases to be put into the proposed budget. Mr. Faulhaber said he remembered talking about the issue of a salary study the previous year. Mr. Montgomery said the Board Salary Committee had looked at this issue the last couple of years and said it would be nice to do it sometime, and decided that this was the year to put it in the budget.

Mr. Faulhaber asked about the results of the last comprehensive compensation study and Mr. Nevell's presumptions about the proposed study. Mr. Nevell said that the last one was done in 1986, and included public and private sector information. It found the District to be below market, and the Board approved increases over a two-year period to move the District back to market level. He thought the FY 93-94 survey would show that the District was behind market again, depending on private sector information.

Ms. Hocken asked if the District had such specialized positions that the pool of applicants would be small. Mr. Nevell said that in many cases that was true, and in some cases it was not. For instance, he said, the personnel administrator position was not so specialized that it would not attract a reasonable pool of applicants, but hiring a transit planner might be more difficult.

Fringe Benefit Increases: Ms. Weaver used an overhead projection to show a summary of the percentage increases in each division's fringe benefits costs from the prior year. As she understood the question from the previous week, the Committee wanted to know why the fringe benefit costs had increased and why they moved around so much from division to division. She explained that Transportation had the largest increase, due to the addition of bus operators. The MIS budget most closely represented the actual cost increase, since its two employees were at the top of their pay scale and therefore not eligible for additional performance-based percentage increases. FICA, pension, and health care (medical, dental, vision) costs were included within the fringe benefit costs. For FY 93-94, the Board had approved a .75 percent increase in the staff pension plan. The District would soon begin contract negotiations, so those costs were unknown, although staff had budgeted reasonable funds for a contract increase.

Ms. Weaver explained that there were two types of fringe benefit costs, those based on a percentage of wages, such as FICA, and those which were a flat amount per month regardless of the wage for the position, such as health care costs. Included in the budget were a 3 percent wage adjustment and 1 percent for cost increases on percentage benefits, including .75 percent for the pension plan and .25 percent for miscellaneous increases. The flat dollar increases totaled approximately 11 percent, and the flat and percent of wage increases, combined, amounted to about 6.5 percent. She explained that fringe benefit costs in some other division budgets amounted to more than 6.5 percent because not all staff were at the top of their scales, and were eligible for additional percentage increases. If the same two MIS staff were eligible for 5 percent performance increases, their fringe benefit increase would total 9.3 percent. She added that staff had not signed contracts with the health care providers, so these figures were estimates.

Ms. Hocken asked why the flat benefit increase was 11 percent. Mr. Nevell explained that there was a base benefit plan cap for medical, dental, vision, and life insurance costs, as negotiated in the bargaining unit contract. The cap represented the maximum amount of money the District would contribute per employee per month. If the health care benefit premiums exceeded the cap, the benefits could be decreased to stay within the cap, or the employees could self-pay the difference. The cap had helped maintain costs for the District during the past six years, and the average increase per year was 12.4 percent. During those six years, the premiums had not exceeded the cap. Mr. Nevell explained that the cap was negotiable with the union, and a Health Welfare Committee worked with the agent of record to project what would happen with health care costs for the next two to three years.

Mr. Crinklaw asked what the purpose of the cap was, if it was never exceeded. Mr. Nevell said that the purpose was an effort to maintain costs and give the District some certainty about premium costs during the life of the labor contract. The District's Health and Welfare Committee was developed as a result of labor negotiations, and included the general manager, the personnel administrator, and two bargaining unit officers.

Mr. Crinklaw asked if medical premiums had been 100 percent covered by the District since 1987-88. Mr. Pangborn said that 100 percent of the premiums had been paid by the District, but employees were responsible for co-pay and deductible provisions. Ms. Loobey explained that before 1987-88, the District negotiated the benefits themselves, but in 1987-88 worked with the union to negotiate a cap and give responsibility and accountability for the benefits package to the Health and Welfare Committee. Since that time, the deductible for major medical had been increased, and major medical benefits were decreased to 80 percent/20 percent, so the District no longer paid the first dollar for employees' medical care. The Health and Welfare Committee also began other programs, such as the Employee Assistance Program (EAP), a wellness/fitness program, and incentives for being at work. She said that the cap had worked well for the District, and the District had managed to keep premiums in hand and the employees healthy.

Ms. Fitch asked what the District would do if the premiums cost less than the cap. Mr. Nevell said that the District would pay the lower cost. Ms. Fitch then asked what would happen if a managed health care plan caused the premiums to increase. Ms. Loobey said that the cap could be renegotiated, or employees would pay the difference between the cap and the premium cost. She said the District did have a Health Maintenance Organization (HMO) as an option for employees, and if they selected that option, they paid the difference in premium costs.

Managed Health Care: Mr. Nevell said that LTD employees had a choice between a traditional indemnity health care plan or an HMO. Since the amount of the premium for the HMO was over the cap, most employees had selected the traditional plan. If a managed health care plan were the only option, the premium costs might be less than the current HMO premiums. This was a negotiable issue, and the Health and Welfare Committee was looking at the concept of a preferred provider network and/or an HMO. The issue for some employees was the requirement to give up their own doctors and select one from a limited panel.

Ms. Hocken asked if the District offered any kind of a cafeteria plan for the HMO. Mr. Nevell replied that a 125 Plan was available to employees, so they could deduct pre-tax dollars for medical and child care costs.

Energy Tax: Maintenance Administrator Ron Berkshire responded to a question asked the previous week about the impact on LTD of the proposed energy tax. He explained that the tax was being debated in Congress. At the present, as proposed, the tax would be implemented in three phases in a three-year period, beginning July 1, 1994, with full taxation by July 1, 1996. It could begin to affect LTD beginning in FY 94-95. At present, the end-user's additional cost for diesel fuel would 8 percent, and 3 percent for electricity. Mr. Berkshire said that a number of organizations or agencies were lobbying for exemptions, and he did not know whether or not LTD would be exempt from those kinds of taxes. As currently proposed, the tax would be part of the price of the diesel fuel, and as an end-user of diesel fuel, the District would see an 8 percent increase in the price, with the possibility of a rebate at the end of the year. He said there was a debate in Congress about whether or not hydroelectric power should be exempt from the energy tax; there were so many variables being discussed about the tax that staff did not expect to know the results for some time. Staff should know more about the tax in time to budget for FY 94-95.

Comparable Maintenance Costs for Tires and Parts: Mr. Berkshire called the Committee's attention to a minor error in the last paragraph on page 31 of the Division Budgets section. He said that the proposed amount in the FY 93-94 budget for reducing operational tire expenses was $45,000, not $49,500. He then used an overhead projection to show expenditures for parts and tires found in the Capital Fund and General Fund, and the combined totals of those two funds, giving a comparable figure from 1990 through the proposed budget for FY 93-94. There were three major variances in expenditures during this time. First, FY 93-94 was the first time new tire expenditures were included in the Capital Fund. The remaining expenditures for tires in the General Fund were for recapping of tires, disposal of old casings, miscellaneous tire repairs, and tire supplies. Second, in FY 92-93, transmission and overhaul kits were first included in the Capital Fund. Third, "other parts" included one-time expenditures to upgrade or replace components on the buses for improved safety, efficiency, or appearance. One example was the replacement of bus operators' bus seats with a seat that supports the operator's back in a better manner, in the hope of reducing on-the-job injuries, which likely would result in a reduction in workers' compensation claims.

Mr. Berkshire pointed out that the sign controllers expenditure in the General Fund was originally budgeted in the Capital Fund in 1992-93. At that time, staff anticipated that the purchase of those components would meet all of the criteria set by the FTA for capital funding, including that the minimum unit cost must be $700 or greater. When competitive bids were opened, the price on the units was $650, so that expenditure had to be taken out of capital and returned to the General Fund.

Mr. Berkshire explained the difference in the parts expenditures for FY 92-93 and FY 93-94. It included inflation based on actual expenditures for parts during a two-year period. There was an assumption increase based on the age and status of the fleet, and special projects were included, based on the projected impact on parts due to the proposed increase in service. There was a lot of fluctuation from year to year, which should be expected, due to the number of variables that drive the expense for parts and tires, such as the age of the fleet and the greater demand for parts as the fleet ages, the life-expectancy of components and where those components are in their life cycle at any given time. Projections also were made regarding possible damage to the fleet during the year. For these reasons, it was almost impossible to predict or budget the parts line-item for a fleet on a straight percentage year after year.

During the period from 1990-91 to 1991-92, there was a big increase in parts expenditures. The 800-series of buses, which amounted to 40 percent of the fleet, were seven years old, approaching 300,000 to 350,000 miles, and coming to their first life-cycle phase and needing to begin an engine and transmission overhaul process. That process had been funded in three phases.

Public Education Program: Ms. Loobey said that a number of questions and issues had arisen at the last meeting about the proposed public education campaign. Staff had said that LTD would be mounting a public education campaign for the purpose of talking about the policy issues being mandated at a local level through the Central Area Transportation Study (CATS), the Transportation Planning Rule, the federal Clean Air Act, etc. There seemed to be a couple of consistent themes at the meeting. First, the District should not be doing this campaign alone, or be too far ahead of the community, because many pieces of the public education process belonged to local general purpose governments, since LTD has no regulatory authority with zoning ordinances or land use issues. The second issue was whether LTD was providing enough marketing for service, given the increases over time.

Ms. Loobey said that staff had discussed the Committee's comments, which were valid points. She said that, although she firmly believed that a public information campaign was needed in the community, the District should step back from the process and work with its partners, either through the MPO or local units of government. Because this kind of public information campaign was being conducted in the tri-county area (Multnomah, Clackamas, and Washington Counties), she talked with staff at Tri-Met to find out how that campaign was put together. It was being done under a "transportation futures" committee, including the City of Portland, Tri-Met, and the Metropolitan Service District. She said that staff agreed with the Budget Committee's point of view about the campaign, as well as with their point about ensuring that LTD market the service at a level to provide the District with ridership results.

Ms. Loobey said that it would take some time to finish a description of that plan. Staff would coordinate campaigns with the Lane Council of Governments, as well as reviewing a full service marketing campaign, the Eugene Station informational campaign, etc. For the purposes of the Marketing budget, the principle difference would be how the program would look and be presented. She said that, with the Committee's indulgence, staff would continue to work on the public information campaign and bring it back to the Board for approval, with the understanding that it still needed to be done, but the way it would be done and the partnership would be different.

Ms. Pappas said she appreciated Ms. Loobey's comments, and believed that LTD should be out front in the kind of education that needed to happen about transit use and alternative modes use. She said she saw LTD as a leader, and would like to see that continue. She said she would hope that the change did not delay any kind of momentum the District might have in this area.

Mr. Montgomery said he had been troubled by the idea that LTD was going to put forth all that information, which was fine, but might not be focusing on a campaign to get people to ride the buses. He thought that to spend the money, the District should focus on a message that riding the bus would help the community achieve the goals and meet the mandates of the new laws. He said he had no problem with purveying this information, as long as it was done in the context of hammering in the idea of riding the bus. He said he did not want a lot of information paid for by LTD without that aspect.

Ms. Hocken said she thought it would be ridiculous to expect changes to the Marketing budget to happen within the next week or so, and suggested that the expenditures be left in the budget as proposed and the plan brought back to the Board as it was developed over the next several months, to look at how the expenditures would be laid out. Ms. Loobey said that the program would have several developmental stages and would not be brought to the Board in complete format right away. Ms. Hocken added that she thought the Board might want to be somewhat more involved in the management decisions for this issue than was typical, given their strong feelings about certain aspects of the campaign.

Ms. Calvert added that the Budget Committee should receive the information when the plan was developed, so they could give feedback to the Board. She said that, in terms of joint efforts, she did not remember when she received the first issue of the "Transportation Newsletter," but had just received the second. It was done by L-COG, Eugene, Springfield, the Oregon Department of Transportation, Lane County, and LTD. It talked about some of the various issues, and although it would not excite the average citizen, it was an effort to try to show that all those units had an interest in what happened. She said it would not do LTD a lot of good to say "ride the bus" if all of the traffic patterns did not allow buses to get from one place to the other. That was why she thought it was important that there be a united look at Goal 12 and how planning at various levels of government could work together and cooperate so that buses, bikes, etc., could get from A to B, and that could not be done by looking at one system independently. She said she wanted the Board to continue to look at the total transportation system of the area and what would make it work the best. Mr. Parks commented that for years the District had been asking for this kind of cooperation, and this was the first time it was actually being addressed.

Ms. Loobey said she had a conversation with the leadership of the Eugene Chamber of Commerce about some issues that had been taken to them by the City of Eugene, which led to a conversation about transportation issues generally, and about how the community was going to manage the significant transportation improvements and investments in transportation systems over the next five to seven years, such as the Downtown Station, the Ferry Street Bridge, and the issue of high speed rail. She said this would be a tremendous economic development package for the community, and that at this point the metropolitan area had not engaged the community very fully in a discussion about all of those investments. For instance, with the high speed rail, the feasibility study will include the question of where the rail station should be for that, because the old location on north Willamette would not be adequate. A Chamber member had suggested that the new station could be located in Glenwood, because of the availability of publicly-owned property and the nearness to Interstate 5. This had not yet been discussed in the community, and she had the sense that the community might presume that the rail facility might not move very far from its current location. If it were to be moved, it would have to be coordinated with the Ferry Street Bridge project and how LTD would serve the rail station. She said there was not yet a good beginning of any kind of dialogue that talked about the transportation of the future, and there was not much cohesive direction at that point.

Mr. Brandt said that what aggravated him was that LTD should not have agreed to give the City of Eugene $2 million to help build a parking lot downtown, because one of the best ways to help meet the goals of putting more people on the buses was to not have a place to park cars. He said that LTD was talking about spending money to educate people, on one hand, and on the other hand was talking about spending money on a parking lot. He suggested that the District take the dialogue to the community, and ask why the community was making LTD help pay for parking when all the District was trying to do was meet the mandates of Goal 12. Ms. Loobey said that the District had agreed to pay $865,000 to replace parking that the Eugene Station would remove if located at the McDonald Site. She said the City could decide not to spend that money for parking replacement if it wished. Ms. Hocken said that at one time, the City had talked about a comprehensive study of the downtown parking needs and refusing to give the District an option on the McDonald site until that study was complete, and she thought the Board hadn't really wanted that to happen. When the Board voted for the option, she thought they were happy to have the opportunity to do that and let the City decide at its leisure what it would do with the downtown parking situation.

Ms. Hocken commented that one of the things discussed the week before as a money-saving measure was to stop using timetables and get people to keep their Rider's Guides for the entire year. She was concerned that people who rode the bus irregularly, or new people in town, etc., might not have their Rider's Guides. She wondered what LTD would do about those people; whether there would be extra copies of the Rider's Guide, or pages from the Guide, to send to those people. Marketing Administrator Ed Bergeron said that the plan was to have extra copies of the Rider's Guide, and that the District currently supplies the Welcome Wagon with copies for new residents. Ms. Calvert thought it might be wasteful to provide second copies of the entire Guide, but Mr. Bergeron said that the District's challenge currently was to get the right combination of timetables into the hands of someone each time that person wanted to ride to a particular location. He said it did not take that many timetables to equal the cost of one Rider's Digest, in the quantities that were printed.

Ms. Larson said she thought it would be helpful to have the Digest published with the telephone directory, or permanently attached to it. Mr. Bergeron said that staff did encourage people to keep their Digests in the same place all year. One challenge was that there were two telephone books, so that market was split, and their publication schedules were not necessarily in sync with LTD's publication schedule.

Ms. Pappas asked if staff planned to monitor the calls, complaints, or confusion that might be experienced due to the lack of timetables. Mr. Bergeron said that would be monitored closely. Ms. Loobey added that she often saw people using the information posted on bus stop signs or at shelters. She also saw timetables scattered along the street or near the displays in stores, and found that very wasteful. She said that this change may not work for LTD; it worked for other transit districts, but LTD would find out from its own experience.

Ms. Hocken asked if Rider's Guides were provided in motel rooms. Mr. Bergeron said that he was on the Board of the Eugene/Springfield Convention and Visitors Bureau, and this had been discussed over the years. The hotels and the Bureau provided visitor packets, but, except in certain situations such as special track meets, where there might be special bus services, there had not been a need to provide every room with bus information. The hotel offices did have that information, as did the Convention and Visitors Bureau office.

ADJOURNMENT: Ms. Loobey offered the Committee the choice to hear the staff presentation on the Capital Improvements Program and the Long-Range Financial Plan that

MOTION evening, or adjourn to May 5. Mr. Parks moved that the meeting be adjourned to 7:30 p.m. on Wednesday, May 5, 1993, in the LTD Board Room. Mr. Billings seconded the motion, and

VOTE the meeting was unanimously adjourned at 9:30 p.m.

Budget Committee Secretary