

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, August 17, 1994

Pursuant to notice given to The Register-Guard for publication on July 15, 1994, and distributed to persons on the mailing list of the District, the regular meeting of the Board of Directors of the Lane Transit District was held on Wednesday, August 17, 1994, at 7:30 p.m. in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: Pat Hocken, President
Dave Kleger, Treasurer
Kirk Bailey
Tammy Fitch, Vice President
Phyllis Loobey, General Manager
Jennifer Self, Minutes Recorder
Jo Sullivan, Recording Secretary

Absent: Rob Bennett
Thom Montgomery, Secretary
(one vacancy)

CALL TO ORDER: Ms. Hocken called the meeting to order.

ROLL CALL: Ms. Loobey called roll.

EMPLOYEE OF THE MONTH: The Employee of the Month for August had not been selected.

AUDIENCE PARTICIPATION: Ms. Hocken stated that audience participation was a time during which the general public could speak about any topic. She invited the speakers who wished to talk about the tax issues to speak first, followed by those wishing to testify on other topics.

(1) Joe French, of Salem, stated that he was employed by Oregon Forest Products Transportation Association (OFPTA), a nonprofit organization with members throughout the State of Oregon, all of whom hauled forest products. He explained that 60 percent of the OFPTA membership was owner/operator or independent contractors who would be subject to the proposed self-employment tax. He testified that the tax would become an added expense to owner/operators and that in the logging industry there was no way to pass that expense on to the consumer. He stated that most owner/operators did not have an elaborate bookkeeping system, and to figure out how to prorate the new tax would be an added expense for those people. He said that the people in his business did not regularly use the transit system. He added that his

colleagues could not draw unemployment insurance and the new expense could help put some of the truckers out of business. He asked the Board not to impose the tax.

(2) W.G. "Willie" Combs, a Springfield resident, testified that he was a member of the Springfield City Budget Committee, and he had learned, through service, that taxes are taken for services rendered. He asked the board what services LTD was offering to those loggers who did business in Lane County but did not live here. He stated that the Federal Government was going to deregulate the trucking industry, and it was going to hurt the business tremendously. He noted that people were tired of taxes, voting on taxes, and voting on bond issues. He urged the board to reconsider implementing the self-employment tax.

(3) Frank Blair, Cheshire, requested that the Board allow the self-employment tax proposal to be voted upon by the general public. He stated that the Board was acting as a special interest group by proposing new taxes without allowing a public vote. He said that there was no reason for the new taxes because LTD currently was operating "in the black." He urged the Board to allow the proposal to go to the voters, or he would make sure that it went to the voters in the form of a referendum.

(4) Debbie Hrycyk, Eugene, testified that she had worked with people with mental illnesses for the last ten years. She said that she wanted to specifically address the reduced fare certification process and the effect that it had on people with mental illnesses, and the effect that the proposed motion would have on people. She said that LTD staff told her that the proposal was not a discriminatory measure. She noted that some people with mental illnesses tended to become socially isolated, and lacked the necessary skills for riding the buses. She added that changing location of bus stops and bus schedules greatly affected people with mental illnesses. She stated that there was a large variety of people who fit into the categories that currently qualified for reduced fare certification, but who would be dropped from that program under the new proposal. She said that if that happened and a year down the line a low-income reduced fare program went into effect, those people already would have isolated themselves or ended up in the hospital in a crisis situation. She urged the Board to review its reduced fare certification process.

(5) Tim Baxter, Eugene, stated that he was a staff attorney with Lane County Legal Aid and had a special interest in issues affecting people with disabilities. He stated that LTD could pass the motion and remain within the federal law. He noted that his concern was with how a new system would be administrated. He requested that the list of 170 people that were to be dropped from the program be reviewed and the people reexamined to determine whether or not they should be recertified. He stated that he was also concerned about what agencies would be doing the certifying, and urged the Board to keep the Senior Disabled Services Division on as an agency of certification.

(6) Mary Bridges, Eugene, testified that without a reduced fare card she would have to pay full fare, and she was on an extremely tight budget. She said that she probably would not be able to use LTD without the program, and she would have to impose on her relatives to drive her to work and the doctor's office.

(7) Dixie Reagan stated that she was mentally ill and used a reduced fare card, and without it she could not get back and forth to see her doctor. She said that she needed the card.

(8) Deanna Stipp stated that she worked with people with mental illnesses. She said that the Board needed to consider implementing a reduced fare program based on low-income. She noted that the people she worked with were constantly mystified that persons with Medicare cards automatically qualified for the program while those with Medicaid cards did not necessarily qualify. She added that people on Medicare cards were more likely to have a higher income than those with Medicaid cards. She said that she understood that qualification had to do with federal guidelines, but it seemed like another bureaucratic decision that made no sense. She stated that many of the people she worked with were surviving on incredibly low incomes, and paying another \$10-13 a month would prohibit some of those people from using the bus system. She asked the Board to reconsider its proposal and to consider creating a proposal based on low-income status.

(9) Alan Corneil, Eugene, stated that he was a person with mental illness. He noted that Lane County had always been a place that wanted to help and support people with disabilities and low incomes. He said that the time had come to invest in people and put money back into the community to help it grow. He asked the Board to consider creating a reduced fare program based upon low-income status.

ITEMS FOR ACTION AT THIS MEETING

MOTION **CONSENT CALENDAR:** Mr. Kleger moved, seconded by Mr. Bailey, to approve the Consent Calendar for August 17, 1994, as presented. This included approval of the minutes of the June 27, 1994, special meeting and the July 20, 1994, special meeting. The motion passed unanimously, 4:0.

VOTE

FIRST READING, ORDINANCE NO. 37, AN ORDINANCE OF THE LANE TRANSIT DISTRICT REGARDING THE EXCISE TAX ON EMPLOYERS; AMENDING ORDINANCE NO. 34, SECTIONS 1.03, 1.06, AND 7.01 AND DECLARING AN EMERGENCY: Ms. Fitch moved, seconded by Mr. Kleger, approval of the first reading of Ordinance No. 37 by title only, in the matter of increasing the Lane Transit District payroll tax rate increase. The motion passed unanimously, 4:0.

MOTION

VOTE

Ms. Hocken read the title of the ordinance, "**Ordinance No. 37, An ordinance of the Lane Transit District Regarding the Excise Tax on Employers; Amending Ordinance 34, Sections 1.03, 1.06, and 7.01 and Declaring an Emergency.**"

Ms. Hocken stated that the ordinance would increase the payroll tax from .0056 to .0060.

Mr. Bailey asked why there was an emergency clause when the effective date of the increase was stated as October 1, 1994. Mr. Pangborn explained that the normal procedure for enactment of ordinances was that there was a 30-day waiting period after the second reading and approval of an ordinance before it could take effect. He added that if the second reading and

approval occurred at the September meeting, then the 30-day waiting period would go beyond October 1, 1994. He said that the collection of the rate was done by the Oregon Department of Revenue on a quarterly basis and it required that a new tax go into effect the first day of a quarter, which would be October 1, 1994.

Mr. Bailey asked if there would be a significant impact if the ordinance went into effect on January 1, 1995. Mr. Pangborn stated that if the new Ballot Measure 5 passed in November and the ordinance did not go into effect until January, then it would require a vote of the people. He added that it was the Attorney General's opinion that unless an ordinance was enacted prior to the passage of November's Ballot Measure 5, then it would have to be voted upon by the people.

FIRST READING, ORDINANCE NO. 38, AN ORDINANCE OF THE LANE TRANSIT DISTRICT ADOPTING A SELF-EMPLOYMENT TAX: Ms. Fitch moved, seconded by Mr. Kleger, that the Board hold the first reading of Ordinance No. 38 by title only, in the matter of establishing a self-employment transit tax in the Lane Transit District Service area. The motion passed unanimously, 4:0.

MOTION
VOTE

Ms. Hocken read the ordinance by title, "**Ordinance No. 38, An ordinance of the Lane Transit District Adopting a Self-Employment Tax.**"

Mr. Bailey asked if staff knew what the demographic makeup was of the self-employed people in LTD's service area. Ms. Weaver stated that the State would not release that information because the ordinance had not passed. She added that LTD was also directed by the Department of Revenue to draft the LTD ordinance after the Tri-Met ordinance exactly.

Mr. Kleger stated that it was likely that the Board would need to revisit this issue throughout the next few years.

REDUCED FARE RECERTIFICATION PROCESS: Andy Vobora, LTD Customer Service Administrator, gave the staff presentation. He stated that one year ago, LTD staff undertook the process of reviewing the reduced fare files and programs because they were out of date; they needed to be computerized; people later were certified under other programs and did not need the reduced fare cards; and a number of people had been certified incorrectly. He stated that the staff used the definition of disabled as described by the Federal Transit Administration (FTA), which reads as follows: "An elderly or disabled person is an individual who by reason of illness, injury, age, congenital malfunction, or other permanent or temporary disability requires special facilities or special training."

Mr. Vobora showed the Board members a list of disability categories and stated that people were eliminated from every category in the program, and that all categories were affected equally. He noted that LTD staff relied on information from the organizations that certified individuals for the program and they focused upon two general categories: (1) physically disabled persons; and (2) those with special training needs. He stated that there had been 2,500-3,000 names in the Reduced Fare data bank; the current number was 1,056. He added that last fall staff had temporarily certified those persons categorized with mental illness until the system could be reworked. He said that staff were recommending that those people with mental illnesses who did not have a condition that required special facilities or special training not be recertified. He

added that some of the 170 people who would be eliminated could now be recertified, now that staff better understood their situations.

Responding to Mr. Kleger's question, Mr. Vobora stated that staff had had some trouble with faulty certifications from the Senior and Disabled Services, and due to lack of communication, tension had built between LTD staff and that agency, and that was why it was no longer an organization that could certify people. He added that staff decided that the appropriate mental health certifiers were from Laurel Hill and Lane County Mental Health, because those offices were more in touch with those clients.

Mr. Bailey expressed his concern because, at the same time that LTD was saying that it wanted to maintain the reduced fare program, it also was saying that it wanted to "whittle down" the number of people in the program. In response to a question from Mr. Bailey, Mr. Vobora stated that staff relied on certified agents to determine who required special training and facilities. He added that with the mental illness customers, some of that information was miscommunicated to LTD staff. He added that staff were simply trying to "whittle down" the numbers to those who fit the FTA's definition of disabled. He stated that staff made that effort in order to clean up the program and then make conscious decisions about adding other groups if it so wished.

Ms. Fitch stated that two years ago, LTD established a fund for reduced fare services, and in the first six months it had not been utilized up to the amount that the Board allowed. She asked how it was currently being used. Mr. Vobora stated that this was a separate issue because it dealt with the issue of income. He said that staff wanted to clearly separate the two issues when cleaning up the program. He added that staff did not want to work on an overall low-income plan without first discussing it with the Board.

Responding to Mr. Bailey's question about Medicaid versus Medicare, Mr. Vobora stated that 10 years ago, the FTA added Medicare to the list of groups of people automatically qualified for the reduced fare program. He added that the point about Medicaid was a very good one. He said that he did not add it to the program because it was an income issue and did not deal with disabilities or mobility issues.

Mr. Pangborn stated that there was a large contingency of low-income people in the community who relied on the bus for transportation. He said that often those representing low-income people tried to find a way to get them qualified for the reduced fare program even though they did qualify under the FTA guidelines. Consequently, the District had certified a large number of low-income people who did not qualify for the reduced fare program under the category of disability.

Ms. Fitch asked what LTD was going to do about the 170 people who were not going to be recertified and needed the reduced fare card in order to move about the city. Mr. Vobora stated that staff had created a list of people who would be reexamined and perhaps recertified. He added that some of the people on the list were certified through December, while others were certified only through September, and said that staff could choose to extend those certifications until they had time to explore other reduced fare programs.

MOTION Ms. Fitch moved, seconded by Mr. Bailey, that the Board approve an extension of all those certifications in question through January 1, 1995, allowing time for a study of low-income discount rates to be completed. The motion passed unanimously, 4:0.

VOTE

Ms. Hocken stated that the Board could choose to expand its definition of people with other disabilities beyond the federal definition without extending it to a low-income program.

EXPANSION OF FARE DISCOUNTS FOR LOW-INCOME CUSTOMERS: Mr. Kleger moved, seconded by Mr. Bailey, that staff prepare a recommended plan to expand the current low-income discount fare program to address the needs of low-income residents who live in the local community year-round and depend upon LTD for transportation, and to explore the appropriateness of Medicaid certification. The motion passed unanimously, 4:0.

MOTION

VOTE

The Board took a five-minute break.

ITEMS FOR INFORMATION AT THIS MEETING

Metropolitan Policy Committee: There was no report because the group did not meet in August.

Willamette Valley Policy Advisory Committee on Transportation: Ms. Hocken stated that there was a meeting the following day. She added that the group was working on scenarios of what the Willamette Valley Transportation Strategy will look like. She said that there were three options: 1) status quo; 2) lower-traffic option; and 3) higher-traffic option.

Eugene Station: Ms. Hocken stated that the conditional use permit was modified in order to reach agreement with Olive Plaza. Mr. Kleger stated that Ms. Loobey, Mr. Pangborn, and he had met with the leading architectural candidate to discuss some ideas for incorporating art in the basic design of the station foundation. He stated that Tri-Met had been using this design technique, and it was worth pursuing.

Committee Appointment: Ms. Hocken stated that the Eugene Station Committee was missing a member and Mr. Bailey had offered to fill Mr. Engel's spot. Ms. Hocken said that she was appointing Mr. Bailey in Mr. Engel's place.

Ms. Fitch asked about the parking issue. Ms. Loobey stated that this issue was still being contemplated. She added that staff had received copies of two letters about the Final Environmental Impact Statement (EIS). One was from Congressman DeFazio and another was to the Federal Transit Administration (FTA) administrator directly from Senator Hatfield's office, and there had been no response. Ms. Loobey said that October 1, 1994, was an important date for LTD, and it could be a problem if the final EIS were released after that date.

Board Correspondence: Ms. Hocken stated that the Board was given some correspondence and information about telephone calls regarding labor negotiations, the payroll tax rate, and the self-employment tax.

Other: Ms. Hocken stated that there were two conferences, one in Wilsonville on September 9-10 and the other, the annual Oregon Transportation Conference, at the Eugene Hilton October 1-4. She asked if any Board members were interested in going to either conference.

Ms. Hocken stated that the 4J school district would be buying the bus passes at the group discount and reselling them to the students at a lower rate. She added that the school district would also have a mechanism by which low-income students could receive free bus passes.

MOTION **EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(D):** Ms. Fitch moved, seconded by Mr. Bailey, that the Board move into Executive Session pursuant to ORS 192.660(1)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. The motion passed unanimously, 4:0.

VOTE

The Board moved into executive session at 9:00 p.m. Members of the District bargaining committee were present for this discussion.

RETURN TO REGULAR SESSION AND ADJOURNMENT: The Board returned to regular session at 10:00 p.m. There was no further discussion, and the meeting was unanimously adjourned at 10:00 p.m.


Board Secretary