

MINUTES OF BUDGET COMMITTEE MEETING

LANE TRANSIT DISTRICT

Wednesday, April 26, 1995

Pursuant to notice given to *The Register-Guard* for publication on April 16, 1995, and at the April 20, 1995, informational briefing for the non-Board Budget Committee members, and distributed to persons on the mailing list of the District, a meeting of the Budget Committee of the Lane Transit District was held on Wednesday, April 26, 1995, at 7:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present:

Board Members

Kirk Bailey  
Pat Hocken  
Dave Kleger  
Thomas Montgomery  
Roger Saydack

Appointed Members

Russ Brink  
Gerry Gaydos, Committee Chair  
Mary Gilland  
Chris Larson  
Tim Luck, Committee Secretary  
Cynthia Pappas

Phyllis Loobey, General Manager  
Mark Pangborn, Budget Officer  
Jo Sullivan, Recording Secretary  
Dan Lindstrom, Minutes Recorder

Absent:

Rob Bennett  
(one Board vacancy)

Rick Crinklaw

**CALL TO ORDER:** The meeting was called to order at 7:30 p.m. by the 1994 Committee Chair, Gerry Gaydos.

**INTRODUCTIONS:** Mr. Gaydos welcomed committee members and asked those present to introduce themselves.

MOTION **ELECTION OF OFFICERS:** Ms. Hocken nominated Mr. Gaydos to be chair of the  
VOTE 1995 Budget Committee. He was elected by acclamation.

MOTION Ms. Hocken nominated Mr. Luck to be secretary of the 1995 Budget Committee. He  
VOTE was elected by acclamation.

**PUBLIC COMMENT:** Mr. Gaydos determined that there was no one present who wished to make a presentation to the committee.

MOTION **APPROVAL OF MINUTES (APRIL 27, AND MAY 4, 1994):** Ms. Pappas moved, seconded by Mr. Montgomery, that the minutes of the April 27 and May 4, 1994, Budget Committee meetings be approved as submitted. The motion was unanimously adopted, 12:0.  
VOTE

**BUDGET PRESENTATION:** Mr. Pangborn outlined the procedure that would be followed in presentation of the Fiscal Year 1995-96 LTD Budget. He encouraged members of the committee to ask questions and discuss the presentations freely.

**Budget Overview:** Ms. Loobey reported that appointed members of the committee had met with staff the previous week for a background briefing on development of the budget.

Ms. Loobey stated that LTD was at a "choice point"--whether it would continue to be the bus company providing 2 to 3 percent of the modal trips in the area, or become something more. She said that the Board had determined to become the "something more" through its strategic visioning and policy changes about alternative transportation in the community.

Ms. Loobey suggested that the transportation element of the Eugene-Springfield Metropolitan Area Plan, TransPlan, the federal Intermodal Surface Transportation Efficiency Act (ISTEA), and the Clean Air Act had provided important stimuli for LTD to change and participate in community discussions of transportation resources. She said that it was no longer possible for transit systems to focus only on providing bus services for the "too old, too young, too poor, and those with mobility disabilities."

Ms. Loobey stated that a second focus of encouragement for LTD to change had been its relationship with employees. She suggested that grievance procedures, service design changes, and management personnel selection processes would increasingly require employee involvement in the future.

The Budget Message of Ms. Loobey concluded, "We must prepare LTD for a new future that is only now being forged."

**Strategic Goals:** Mr. Pangborn reviewed an outline of the contents of the document "Lane Transit District Fiscal Year 1995-96 Proposed Budget" with members of the committee. He indicated how consideration of it would be facilitated by staff.

Mr. Pangborn directed members' attention to the Strategic Goals section, which had been distributed at the beginning of the meeting. He described how the LTD Board and staff had developed and prioritized the strategic goals/ visions, actions, and activities. Staff had then developed a Fiscal Year 1995-96 proposed budget that included expenditures to accomplish the strategic activities that were considered important to accomplish each strategic vision.

Marketing Administrator Ed Bergeron, Transportation Administrator Patricia Hansen, and Planning Administrator Stefano Viggiano reviewed LTD's Board-adopted visions, strategic actions,

and strategic activities. They discussed budget allocations related to each, as presented in the strategic goals document.

**VISION I LTD is a leader in shaping local and regional transportation strategies, through strengthened partnerships, alliances, and community support.**

Strategic Actions

Develop a plan of action that identifies our key natural partners and allies.

Establish a formal process for regularly making transit and other alternative transportation issues part of our partners' agendas.

Identify, through our priority setting, local and regional transportation projects and partnerships to which LTD may contribute resources.

Through our research and knowledge, be the substantive leaders and resource in regional and local transportation issues.

Strategic Activities

1. *Board and staff develop message and a communication plan based on issues and partners.* Related expenses would be for Marketing and General Administration staff time, found in the base budgets for those divisions.
2. *Communicate LTD's role and activities to the community to ensure ongoing understanding and support of LTD and its activities.* Related Marketing division budget expenses were detailed, including Marketing staff time in the base budget; \$88,850 for printed customer information; \$16,500 for project and event supplies; \$8,500 for professional services; \$132,750 for advertising agency fees; \$208,500 for advertising media; and \$9,000 for public relations.
3. *Conduct research to assess the community's understanding and support for LTD.* The Marketing division budget included \$20,000 for market research to accomplish this strategic activity.
4. *Continue high level of participation by both Board and staff in the TransPlan Update process and on other intergovernmental committees.* This would be accomplished with Planning, Customer Service, and Transportation Demand Management (TDM) division staff time, as part of the base budget.
5. *Staff will keep the Board informed of regional transportation issues when LTD's interest is significant, and where LTD might contribute resources.* Planning and General Administration staff time, funded in the base budget, would be factors in accomplishing this activity.

6. *Continue to build support and coalitions with LCC, UO, Sacred Heart, downtown Eugene, major employers, and airport-area businesses.* No specific budget costs were discussed for this strategic activity.
7. *Build support and coalitions for Eugene Transit Station with neighbors and the community.* A public involvement process would be funded with \$20,000 in grant funds.
8. *Develop an educational program for middle and high schools.* This activity would be funded in the Customer Service Center base budget.

Mr. Gaydos asked how it had been determined to allocate \$20,000 for marketing research in Vision I strategic activities. Mr. Bergeron replied that the estimate had been based on the expense of an LTD community-wide survey.

**VISION II LTD provides innovative, quality service that commands an increasing share of the transportation market.**

Strategic Actions

Establish a transit-priority system for buses.

Investigate ways to increase the frequency of service on major transportation corridors, as well as options for express service on these routes.

Expand Park and Ride and other passenger boarding facilities to increase ridership and improve operating efficiency.

Actively encourage group passes as a way to increase ridership.

Explore premium service opportunities in an effort to create substantial shifts in utilization patterns.

Explore other service opportunities to increase ridership, such as special service to community events and service to surrounding communities.

Improve passenger, employee, and facility security and safety.

Strategic Activities

1. *Develop a comprehensive security plan that will address the level and type of security required for the Eugene Station, the organization and commitment of internal staff resources for security issues, and strategies to improve interjurisdictional coordination of security support.* The capital budget included \$50,000 for security system equipment. The Transportation division budget included \$20,000 for the services of

a security consultant, \$52,000 as the District's contribution to the Mall Guide program, and \$25,000 as LTD's payment for one-third of a police officer's time for the mall. The Transportation division budget also anticipated base budget costs for .4 FTE staff time for security management. This staff time would be provided by covering supervisor shifts with bus operators working as temporary system supervisors.

2. *Identify a design for a new Ferry Street Bridge corridor that supports the Bus Rapid Transit concept. Actively work to promote the concept within the community.* The Planning division budget included \$30,000 for engineering consulting services, as well as staff time funded in the base budget.
3. *Establish a plan and identify necessary partnerships and skills to implement a Bus Rapid Transit system during the next five years.* This strategic activity would be accomplished with Planning division staff time, funded in the division's base budget.
4. *Expand group pass program targeting downtown employers, Eugene Clinic, and LCC.* The TDM budget included \$3,000 for materials and supplies for this activity. TDM, Planning, and Finance base budget staff time was anticipated for program development, promotion, and administration.
5. *Expand Park and Ride system.* Planning division staff time had been allocated in the proposed budget to develop five additional Park and Ride facilities. The capital budget included \$150,000 for land for a West 11th Avenue Park and Ride in Eugene; and \$515,000 for land for a Park and Ride facility at 58th and Main in Springfield. Additionally, \$28,200 was included as local match for a City of Eugene Park and Ride project at the Parkway Station.
6. *Increase the frequency of passenger facilities cleaning and repair.* To accomplish this strategic activity, \$33,200 had been included for a 1.0 FTE position and \$10,000 had been included for cleaning contractual services, both in the Facilities Maintenance budget. A savings of \$14,000 was shown for the elimination of contractual maintenance services, which would be performed by the new position.
7. *Establish a task team to identify way to improve passenger comfort and enjoyment on buses and at transit stations.* Staff time to accomplish this activity was included in the Planning, Marketing, Customer Service Center (CSC), and Transportation divisions' base budgets.
8. *Purchase chains for all buses to improve service delivery during inclement weather.* Staff budgeted \$10,800 for chains in the Maintenance division budget.
9. *Install bike racks on all buses and market and promote the service.* The capital budget included \$50,200 for bike racks, and \$1,000 was included in the Marketing budget for miscellaneous printing costs to accomplish this strategic activity. Staff time to evaluate the plan was anticipated in the Transportation and Maintenance division

base budgets, and the Marketing base budget included staff time for promotion of the service.

10. *Promote a third-party van pool leasing program.* Staff expected to accomplish this activity with \$2,000 for printing, found in the TDM budget, and TDM staff time in the base budget.
11. *Investigate advertising at shelters and stops.* This activity would be accomplished with Marketing division staff time, funded in the base budget.
12. *Investigate and prepare plan for small bus feeder loop service.* STP grant funds were included to purchase six small buses, at an anticipated cost of \$375,000.
13. *Additional supporting activities:*
  - *Service increase of 3.15 percent* (\$261,800, funded in the Transportation and Maintenance division budgets)
  - *Additional Planning staff* (.8 FTE at a cost of \$45,000)
  - *Charge Planning staff time to Eugene Station grant* (savings of \$29,400)
  - *Implement service to Cottage Grove* (Marketing, Planning, and Finance division staff time, funded in base budget)
  - *Marketing, Planning, and Finance staff time for LCC Group Pass Program* (base budget)
  - *Taxi-to-Train Program* (\$1,800 in Transportation division budget)
  - *Build 15 new shelters* (\$70,000 in capital budget)

Mr. Brink announced a possible conflict of interest for him with the first strategic activity of Vision II, as it included a \$52,000 contribution to the Eugene Mall Guide program, which his agency coordinated. In response to a question from Mr. Luck, he stated that the total labor cost of the Mall Guide program was approximately \$200,000. LTD was provided two guides from mid-afternoon until shortly before midnight six days a week.

Ms. Pappas asked for a description of criteria to locate Park and Ride facilities. Mr. Viggiano explained that a combination of factors was considered, including location. He said that in the past the District had considered Park and Ride locations in outlying areas, thus reducing automobile traffic along busy corridors, to be most effective. However, locating a Park and Ride facility too far from the downtown area tended to make it unattractive to commuters living closer, who typically did not travel in the opposite direction from their destination in order to take the bus. He said there were approximately 20 Park and Ride locations, but only the River Road Park and Ride at Beltline and River Road was owned by LTD. He also said that reductions in federal funding would make development of additional Park and Ride facilities difficult.

In response to a question from Ms. Hocken, Maintenance Administrator Ron Berkshire said that bike racks to be installed on buses would hold two bicycles and that they were extremely user-friendly, allowing either the first or second bike loaded to be easily removed. Mr. Viggiano agreed that requests for rack use might exceed their capacity at some times on specific routes,

but that they were still preferable to other alternatives, such as bus-pulled bike trailers, which tended to invited vandalism and theft.

**VISION III LTD's decisions, priorities, and actions are driven by strategic planning and sound fiscal and operational management.**

Strategic Actions

Determine what performance measures and benchmarks are used to evaluate the organization's fiscal and operational performance. Develop benchmark measures that are aligned with our vision.

Examine our fare policy, using available data and research. Include effects of group pass rates and individual fares. The Board will balance goals of ridership with fare-to-budget base date to determine LTD's fare policy.

Develop and agree on a method of analysis and tools to guide us as we evaluate new service proposals and investments.

Continue to improve operating efficiencies and effectiveness through ongoing improvements in operating procedures.

Assess current federal, state, and local funding sources and determine impact on long-range financial plan. Discuss financing alternatives with Board.

Strategic Activities

1. *Develop comprehensive organizational performance review system.* This would be accomplished with Finance, MIS, General Administration, and Planning division staff time, funded in the base budget.
2. *Re-engineer the Transportation division.* To accomplish this strategic activity, \$20,000 would be continued from the current year for consulting services, and .44 FTE Transportation division staff time and .1 FTE MIS division staff time would be allocated from those divisions' base budgets.
3. *Increase field supervision through the addition of a fifth Transportation Supervisor.* Transportation division personnel costs included \$58,700 to fund this position.
4. *Make payroll information available in dispatch and automate manual record-keeping systems.* Consulting services for software development would be funded by \$14,000 in the capital budget. Base budget costs included .1 FTE in the Transportation division, .05 FTE in the Finance division, and .05 FTE in the MIS division.

5. *Implement new radio system in transportation.* System purchase costs of \$1,650,000 and \$75,000 for the redesign of the Transportation dispatch area would be funded with capital grant dollars.

In response to an inquiry by Mr. Luck about the resale value of the radio system to be replaced, Mr. Berkshire reported that it contained old technology that might have value to the right person, but that it would be difficult to find such a prospective buyer.

**VISION IV LTD encourages innovation and flexibility in anticipating and responding to the community's needs and opportunities.**

Actively gather information from our citizens, our customers, and other sources to learn about the public's transportation-related needs.

Identify ways to streamline our decision-making process in order to create flexibility in responding to emerging needs.

1. *Conduct in-depth, community-wide needs assessment research.* Research costs of \$13,000 were included in the Marketing division budget.
2. *Expand the annual route review process to include meetings with neighborhood groups, surveys, and other public input opportunities.* This would be accomplished with Planning division staff time.
3. *Survey downtown employees.* Planning staff time was included in that division's base budget, and \$10,000 for survey costs was included in the Marketing division budget.
4. *Pursue targeted market research and communication to match resources with needs.* The Marketing division budget included \$14,000 for market research for this activity.
5. *Develop a District-wide internal communications tool.* The Marketing division budget included \$9,000 for public relations costs for this strategic activity.

**VISION V LTD supports a work environment that attracts talented employees who share LTD's vision and are committed to its success.**

Build partnership, trust, and improved communications among all employees.

Use the knowledge and experience of our employees more fully. Empower work groups and individuals with the authority, responsibility, and accountability to respond to new situations, as well as to maintain consistent levels of service.

Recognize, encourage, and reward creativity, customer service, innovation, and exceptional performance.



Develop a training plan for all classifications.

Assess and implement, if feasible, technological innovations that respond to the community's needs and expectations. Encourage and acknowledge employee contributions.

1. *Develop and manage an organization development program for greater employee participation and partnership.*

*Establish task forces and employee work groups to look at work rules, organizational attitudes and behaviors that lead to negative atmosphere and risk avoidance, and visioning and strategic planning.*

*Develop an environment for delegating decision-making authority and responsibility to the level in the organization that is most likely to successfully address issues, offer solutions, and implement new programs.*

Funds were budgeted in several division budgets to accomplish the above three strategic activities. That funding included: (1) Human Resources division - \$46,200 for 1.0 FTE additional staff in Human Resources, a \$7,000 savings for eliminating a part-time intern position, and \$50,000 for consulting services; (2) MIS division - .1 FTE staff time, funded in base budget; (3) Transportation - .7 FTE bus operator mark-off for employee involvement activities, \$6,000 for increased skill training for front-line supervisors, \$8,000 for consultant assistance for two full days of contract employee training, and 1.7 FTE to allow for two days of training for all contract employees.

2. *Provide better coordination and management of Operator training programs.* The Transportation division budget anticipated .19 FTE bus operator mark-off to accomplish this strategic activity.
3. *Hold a bus roadeo and send the winner to the national competition.* Costs for the entry fee, transportation, and accommodations were budgeted at \$5,000 in the Transportation division budget.

MOTION **Adjournment:** Mr. Montgomery moved, seconded by Mr. Brink, that the meeting be  
 VOTE adjourned to April 27, 1995, at 7:30 p.m. at the same location. The motion was unanimously  
 adopted, 11:0.



Budget Committee Secretary