

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Thursday, September 7, 1995

Pursuant to notice given to *The Register-Guard* for publication on September 5, 1995, and distributed to persons on the mailing list of the District, a special meeting of the Board of Directors of the Lane Transit District was held on Thursday, September 7, 1995, at 12:00 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, Vice President
Rob Bennett
Patricia Hocken, President, presiding
Dave Kleger, Treasurer
Thomas Montgomery, Secretary
Roger Saydack
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: (One vacancy, subdistrict #2)

CALL TO ORDER: The meeting was called to order at 12:10 p.m. by Board President Pat Hocken. The Board members introduced themselves to State Representative Kitty Piercy, who was present to discuss local and regional transportation issues with the Board.

DISCUSSION OF TRANSIT ISSUES WITH STATE REPRESENTATIVE KITTY PIERCY:
Ms. Hocken explained that the Board had wanted to meet with Representative Piercy, as well as with the other legislators representing the local area, to talk about issues of mutual concern.

At Ms. Hocken's request, Mr. Bennett discussed the proactive stance of the LTD Board. He explained that the Board had been carefully considering how it could proactively affect the balance of transit use. In the past, LTD had carried mostly seniors and students. Now, even with aggressive programs such as group pass programs for area businesses and agencies, LTD currently was carrying only about 3 percent of the trips in the community, while single-occupancy car use had increased as a percentage of trips.

Mr. Bennett said that he had the privilege of representing the Board on the Ferry Street Bridge corridor committee, looking at the transportation linkages. Essentially, the Board had taken the position that unless something very dramatic was done with respect to public transportation, LTD was not going to have the kind of impact it would like to have, in spite of good marks for efficiency and the other things LTD was doing well. He said that there were a lot of things going on in the transportation update in terms of people's transportation use, but the Board was taking the position that LTD needed a distinct competitive position, because demand would increase, the community would grow, and there would not be enough money to do it all.

Mr. Bennett explained that the Board's discussion of bus rapid transit (BRT) came out of the need for a competitive position in the community. The concept of BRT involved a separate right-of-way system, which could be buses at first, but light rail in the future. BRT could begin with a strong north-south link, and would need a way to get across the Ferry Street Bridge. The Board was seeking support for that idea, possibly even for a separate transit bridge. He asked Ms. Piercy for her input.

Ms. Piercy said she would have to be more aware of some of the particulars of the plans Mr. Bennett had discussed before being able to respond fully. However, she thought that as the Eugene/Springfield area was trying to grow as a community, one of the big pieces of that growth would be transportation and public transit issues. She said she did not know what the result of the Hyundai project would be, but she thought there definitely would be a growth in business in the community. A role for transit could be to have some kind of partnership with businesses where there were not enough parking lots or to avoid cementing over so much land, or to help keep cars off the road. She stated that Mr. Bennett had indicated that this kind of partnership would be only a small portion of LTD's future, and that the grand plan was broader. She said she knew that no matter what choice is made, it will be expensive, during a period of time when people did not want to spend money on anything. She said it was a difficult time to plan for the long range, and why so much unfortunate short-range planning was being done.

Ms. Piercy said she lived in the Whittaker neighborhood, and had often wondered about a trolley on 6th and 7th Avenues, to the center of the community. Mr. Kleger explained that the major problem with trolley lines was that people needed to branch off at the end, and did not want to shift from one mode to another during short trips. One corridor that had major trip generators at both ends was between the Sacred Heart Hospital/University of Oregon area and downtown Springfield. Mr. Kleger said that this route had the highest ridership, but major capital costs would be involved in providing light rail, since a bridge would be required.

Ms. Loobey added that the federal government had a changing view of its participation in funding transit projects, and was talking about limiting new starts. To implement a bus rapid transit system, LTD would be setting up corridors and rights of way for buses, with the option of changing to light rail along those corridors in the future. The major impact of BRT would be to cut the trip time, which was a very important factor for riders who could make a choice to ride or not.

Mr. Kleger stated that the community was maybe 40 years away from light rail, which would involve expensive infrastructure changes. Mr. Bennett stated that BRT could be done slowly. The District could begin with a link across the Ferry Street Bridge to downtown, for instance, and expand to other corridors later. The system could grow by accomplishing small pieces within a grand plan. He noted the difference between acquiring rights of way and beginning to implement the improvements.

Ms. Loobey stated that staff were working very closely with the Hyundai project to help do whatever it might take to reduce traffic congestion and parking requirements.

Ms. Loobey also discussed the Transportation Equity Account, saying that it seemed to be the intent that transit projects would be eligible for some of the \$375 million in the account, but the bill seemed to say only that it was for road projects. Representative Piercy said she would have

to go back and ask the legislative counsel, because she thought it would be for any transportation project, which would include transit.

Ms. Loobey asked whether these funds could be used for operating expenses as well as capital. She expressed concern, especially in her role as President of the Oregon Transportation Association, for the Salem and Medford transit districts, which were on the edge of financial disaster and needed operating money more than capital funding. Ms. Piercy said she thought the decision about the equity funding was done very quickly without a lot of thoughtful process, so some of the language or intent was not clear. She thought it could be redefined any way the leadership chose to redefine it.

Representative Piercy said that she could offer help by taking LTD's questions and doing a little research regarding the initial intent and the current interpretation. Ms. Loobey added that she had not seen any language that provided for any application process or funding levels. Ms. Piercy explained that the Cities and the Counties had control of a certain percentage, and everyone would be trying to get a piece. She added that the current thought was that the legislators would have to be dealing with tax cuts and other issues as well as the corrections issue scheduled for the January 1996 special session.

Ms. Hocken raised the issue of an elected transit district board of directors for LTD. She stated that the LTD Board had some feelings in opposition to making the Board elected rather than appointed by the Governor. Ms. Piercy said she thought this issue came out of the conflict in the community between the union and LTD. She stated that LTD had an excellent reputation, so she had been surprised to see the bill in the legislature. Mr. Bennett said he thought that an important part of that issue was the implementation of the self-employment tax. The case the Board made was that most estimates were that the federal government was going to play a lesser role in transit funding, while LTD would have to play a stronger role in transportation in the community to accomplish some important things to meet state objectives that the community reduce single-occupant vehicle miles traveled by 20 percent. The self-employment tax had been implemented at Tri-Met in Portland for a number of years, and the Board questioned why a local self-employed person should not participate the same as an employee. Mr. Bennett stated that he had been in business in Eugene for a long time, and had been on both sides of businesses. He believed it was not unfair to ask everyone to play on a level playing field. He explained that the Board and staff had gone into the community to talk to interested or affected groups before implementing the tax. He thought that the question of an elected Board was raised because of the controversy about implementing a new tax.

Mr. Bennett stated that he was on the Board because he had been interested in transportation issues since he was on the Eugene City Council, and because he had a business background. He saw his participation on the Board as an administrative service rather than a political service.

Mr. Bennett said that the Board also raised the payroll tax rate to the statutory maximum of .6 percent. The rate had been increased and decreased over the years, and the Board was trying to use due diligence to face the issues before the District.

Mr. Kleger stated that on one side he philosophically thought that maybe a person handling that much public money should be elected, but not without election financing reform, because a

person basically could purchase a position and be elected on name familiarity alone. The transit district could be switching gears every two years, but it was imperative to have predictability and reliability of services in order to maintain and increase ridership.

Mr. Saydack said that the difficult question was that it was particularly hard arguing against representation. However, the Board's function was very narrow, and the issues the Board dealt with were very narrow. Board members had been able to develop some depth and expertise about that narrow field, and had independence and no allegiance to any one particular group when making decisions, so he thought that appointment by the Governor was appropriate for this particular group.

Ms. Hocken said that another issue that was brought up was that the business owners, not the general public, were supporting the organization with the payroll tax. Some members of the business community had sent letters to the Governor stating that they were happy with the way the current kind of Board managed the business community's money.

Representative Piercy asked what money LTD also received from the state. Ms. Loobey replied that the District received very little general fund money, and that typically was in the Oregon Department of Transportation (ODOT) budget. The District was the pass-through agency for state cigarette tax money in the Special Transportation Fund. That money was received by LTD and distributed to agencies providing transportation services for the elderly and persons with disabilities.

There was some discussion about an elected versus an appointed Board of Directors. Ms. Loobey said that having an elected Board had nothing to do with what made good public policy. LTD operates under the same provisions of the Oregon Revised Statutes (ORS) as Tri-Met, and the bill would have changed nothing in those provisions. Mr. Kleger added that the ORS required that one Board member be a regular user of the system. He thought that would be hard to accomplish with an elected Board.

Ms. Piercy stated that an important issue the Board had mentioned earlier in the meeting was the future of transportation. She referred to recent discussions regarding Tri-Met's value to the community. A letter to the editor had talked about the number of people who liked that kind of public transit in the community because of a feeling of livability, whether or not they used the system. Light rail seemed to be an issue of civic pride for some. Mr. Kleger said that there seemed to be two primary attractions for modern public transit: rail (or another separated right-of-way system) was "sexy," and it offered faster trips.

Ms. Piercy said that one of the things about the local community that could be an asset in this case was that people liked to feel they were doing something that would make a difference, and therefore may be more willing to take a leap.

Mr. Kleger said that the District was hoping to use some of the additional tax money to make more inter-neighborhood connections, since one of the problems in the community was a lack of links between neighborhoods.

Mr. Bennett stated that there had been some discussion about whether the District could serve a loop between Autzen Stadium and other places. Obtaining the rights of way would be

easier now than 20 years in the future, when more businesses, etc., would be located along those rights of way. Ms. Piercy said she saw that as a real public hurdle to make. She did not have the sense that the public thought any expenditure was important right now, especially if it were for something needed way down the road. She thought the people in this country were losing sight of what they thought public funds should pay for; everything seemed like an imposition to the public, rather than there being a willingness to pay for the services they wanted. She said she was not very hopeful about this at the present time.

Ms. Hocken provided background information on another issue for Representative Piercy--the salary initiative to limit the LTD General Manager's salary. She explained that the sponsors of the initiative gathered enough signatures to place it on the ballot in September 1995. The Board filed suit against Lane County, asking that it not be put on the ballot because the Board believed that setting the General Manager's salary was an administrative issue that was not subject to the initiative process, and the Lane County Circuit Court judge had agreed. The union then filed an appeal in the Court of Appeals, asking for an expedited hearing, but the Court of Appeals had refused to hear the issue on an expedited basis. If the Court of Appeals would overturn the local decision, and if LTD chose not to appeal, the earliest this could be on the ballot would be in March 1996. Ms. Hocken stated that the Board saw this initiative as a very real issue related to its ability to set salaries of the people who worked for them, and not as something that should be set by the voters. She said it was part of a much broader context, and could set a precedent, and the next initiative for the community to vote on would be to set the salaries of other public managers. Mr. Kleger added that the community could also be voting at some point on whether contracts set with union employees were valid, and the union could be destroying its ability to negotiate agreements by setting this kind of precedent.

Ms. Piercy asked what else she could do to be helpful to LTD. Ms. Loobey replied that over time there would be some tweaking of laws that would help the District implement BRT, such as allowing signal preemption for transit as well as for emergency vehicles, or a final version of the Oregon Transportation Financing Plan. There would be other funding or legislative issues over time. She added that the United States Congress did not move the match from 80 percent federal/20 percent local to 50/50 as had been anticipated, but the amount of funding had been reduced cumulatively by about one-third.

Ms. Loobey said that LTD would be happy to provide a briefing about the District's major issues, such as BRT, if that would help Representative Piercy support them locally. Ms. Piercy said that she had learned a lot very quickly about transportation issues during the last legislative session, and that she was very interested in transportation, as a key to what kind of state Oregon would be.

ADJOURNMENT: Ms. Hocken thanked Representative Piercy for taking the time to meet with the Board. There was no further discussion, and the meeting was adjourned at 1:15 p.m.


Board Secretary