

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Thursday, November 30, 1995

Pursuant to notice given to *The Register-Guard* for publication on November 28, 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 Wednesday, November 30, 1995, at 12:00 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

Absent: Rob Bennett
(One vacancy, subdistrict #2)

CALL TO ORDER: The meeting was called to order at 12:00 p.m. by Board President Pat Hocken.

BOARD DISCUSSION OF TRANSIT ISSUES WITH STATE REPRESENTATIVE JIM

WELSH: Ms. Loobey complimented Representative Welsh for his efforts to be available to his constituents, and thanked him for his time. She spoke of the Board's attempts to get out into the community more to discuss LTD issues, such as the Board's visions and the UNCC Study results, which Representative Welsh said he had read. Ms. Loobey stated that from the standpoint of effectiveness and efficiency, LTD was ranked in the top 20 of all size of transit systems across the country, and number two in its peer group; only Santa Barbara was ranked higher. She said that the Board of Directors had set the tone and direction for the organization, and staff and the Board were very proud of the District's accomplishments. Ms. Loobey said that the Board had wanted to meet with the local area's legislators about how the Board saw the District's future and why they were moving in that direction. She added that there were some things the District may need Representative Welsh's help with. Some were housekeeping measures, such as an amendment to ORS 267, which would not be very controversial but would allow the District to operate in more efficient and effective ways.

Mr. Kleger explained the building on the southwest corner of the Eugene Station site plan. If the District built a two-story building, there would be excess space that would not be used in the near term, but ORS 267 did not allow the District to have an extra space to rent out. Mr. Kleger stated that the mix of transit with other commercial activity was what made transit effective. Ms. Hocken informed Representative Welsh that this issue could come up in the future as the District expanded its system of Park and Ride locations. She said that the District would like its customers to have access to some small vendors such as coffee or newspapers.

Ms. Hocken said that LTD only carried about 3 percent of the trips made in the area. In order to increase that percentage, the District would like to do some other things, such as bus rapid transit (BRT). She said that as a business person, Board member Rob Bennett, who was not present but was very interested in BRT, understood that a business did not succeed unless it could compete with its competitors. The District knew that there were a lot of people who could not use transit, and a lot who did not use it but who could if it were more convenient for them. The District was looking at ways to make the system more convenient for more people. The system was very successful in downtown Eugene and near the University of Oregon and Sacred Heart Hospital, where there was a shortage of parking. Because bus trips were almost always going to take longer than trips in a private vehicle, the District was looking at ways to make trips faster, including how fares were collected; signal preemption; and using dedicated rights of way for a BRT system, so buses were not tied up in congestion. The Board members wished to present these ideas to the local area's senators and representatives to get their feedback.

Ms. Hocken explained that the state statutes allowed emergency vehicles to change signals by using a computer activation system. The City of Eugene was in the process of acquiring such a system, and did not have a problem with buses also using it. However, state statute did not allow use by buses, so the Board hoped to have the law changed. She stated that one aspect of BRT was to have Park and Ride locations throughout the community, so people could have express service with some of the convenience of the automobile but reduced congestion and parking problems.

Ms. Hocken asked Representative Welsh for feedback on where the District appeared to be headed.

Representative Welsh stated that when he began his legislative term, he did not view transportation as a high priority, but that view had changed. He had a background in private industry and wood products, and some of those issues were priorities in the state. Being closely associated with Eugene, and traveling more, he began thinking more about transportation issues. Going through the special session with the south/north light rail issue, he had gained a tremendous interest. He said that he had given testimony on it, and that his vote on Portland was not a vote against transportation; rather, he did not think the plan addressed the true needs of the city. He said that this opened his eyes to some of the needs of a growing urban area, from Portland to Eugene to Medford. He told the Board that he wanted to be as much help as possible and stay up-to-date on the transportation issues. During the session, he worked with the trucking industry, which also was very interested in transportation throughout the whole state. Looking at the different modalities and funding for them, and realizing that the federal funding would be very different, would be important for the state.

Representative Welsh said that he realized that LTD had a big part in putting together a transportation package to lessen Hyundai's impact on the community. He said that the highway from Elmira and Veneta was dangerous, and would become an even greater problem if Hyundai moved in, because there would be growth in Veneta. He saw that LTD could play a strong role in that situation. He believed that the Elmira/Veneta area could conceivably take about 30 to 50 percent of the growth from Hyundai. With thousands of employees, possibly 80 percent would want new homes. He hoped that decent funding packages could be put together to deal with this kind of growth. That was his greatest concern for his district at that time, and he was interested in knowing if LTD had any plans for helping with those transportation needs.

Representative Welsh said also that he supported high speed rail along the I-5 corridor as an important component for transportation. To put that together with the rail and bus lines that went off it would be beneficial. He said that rail played an important part in transportation, and the state already had the rights of way. The biggest expense for the north/south light rail in Portland would be acquiring the right of way, but it had to be done.

Mr. Kleger discussed how the BRT vision fit with light rail. The District could begin accumulating rights of way in small pieces for BRT, rather than having to spend all the money at one time. LTD could acquire pieces as they became available and when the money was available, and thus gradually develop a route system for BRT. When the density of the area required it, the BRT system could be changed to a rail system. Ms. Loobey added that the LTD Board was interested in becoming more competitive with the private auto, and could do that incrementally with BRT.

Ms. Loobey informed Representative Welsh that in the past, the District had worked closely with the Oregon Department of Transportation (ODOT) on a transportation plan and state funding for transit. In past legislative sessions, work had been done on a motor vehicle registration fee. Ms. Loobey asked Representative Welsh if he saw any opportunities that could be supported, adding that there was a constitutional prohibition on use of the gas tax that limited the ability for transportation funding. Representative Welsh said that if this were done properly and sideboards were kept on, he thought this had been discussed enough that it would not be out of the picture to make this change. He said it had to be well planned, and it would have to be clear where those dollars would be spent, and presented so that everyone would know. Amendments would kill it by adding too much.

Ms. Hocken asked if restricting it to capital as opposed to operating would give it a better chance, or just where limits should be placed. Mr. Welsh said he thought capital and operating funding needed to be separated at this time. He thought that the people who would pay this would clearly accept this separation and understand it. If this were looked at for the entire state, which should be done, from a policy standpoint, people could understand the need for capital investment and would know that perpetual dollars would be needed to make it run. He thought that would help address the issues more easily at the local levels. He said the "two Oregons" (rural versus urban) needed to be protected, but he thought it could be more acceptable to them both in this way.

Ms. Loobey said that she knew Mike Meredith had been interested in a change in the weight/mile tax. At one time, he had an alternative scheme that truckers were willing to try, but ODOT thought there would be too much evasion of payment. She thought the transit industry would continue to work with Mr. Meredith to look for ways to find alternative funding sources. Representative Welsh said the heavy vehicle tax would be discussed in the future. An ODOT study should be completed by the end of December; ODOT had supported the weight/mile concept. All but about six states did not have weight/mile taxes; most used fuel taxes and payment at the pump. The biggest concern was evasion. ODOT did not think there was much evasion, but there was a tremendous number of compliance officers in the field. Inspectors checked trucks, log books, where the truck had been, and whether the tax had been properly applied to the weight/mile concept. Mr. Welsh said that there were over 30,000 individual companies in the state traveling in and out of the state daily, with several hundred thousand trucks. What bothered him was that the port of entry was in Wilsonville, but approximately two-

thirds of the population in the Portland metropolitan area was being served by trucks coming in from the north and east, with the port of entry in the south. To him, that did not look like there was much control of evasion. Other states were doing a better job of payment at the pump by use of dyed fuels and working with retailers selling that fuel. He thought that with a better system the state might gain from 20 to 30 percent in weight/mile road dollars coming from the pump. Businesses and farmers were very concerned about paying more. In the plan, the biggest change would be for 80,000 and above in weight to take the brunt of the tax, holding harmless many of those in lower weight brackets, such as buses and farmers. He said he would give Ms. Loobey a copy of the legislation if she needed to look at it, although LTD was exempt from this tax. He said it was very important that everyone be at the table to talk about this, since it would change a system that had been in place since 1948.

Ms. Loobey said that the Oregon Transit Association was toying with the idea that the transit community should step away from ODOT and work on issues independently. That had not yet been determined. Just from the standpoint of growth, she said, LTD and the transit community in the state needed to be energized to work closely with the legislative assembly so that past and future investments in infrastructure were protected and enhanced.

Regarding the issue of governance of LTD, Ms. Loobey said that Representative Welsh had been very helpful when this issue had come up in the legislature. Senator Dwyer had told the Board that he was determined to bring this issue up again. Mr. Kleger said that he was not philosophically opposed to an elected board, but that he was opposed under the current funding and campaign financing circumstances. He explained that the District was funded essentially by a business tax, and was in competition with the people who paid the tax for good employees, so he thought there was a legitimate sense of resentment. The District's market penetration was small; the portion of the community that participated in using the service was small, which he thought made the LTD Board a perfect target for a name-recognition-only election basis. He said that the District easily could end up with a Board of people who were willing to spend the most money to campaign, at the expense of the public in terms of service and spending public money. He thought that until there was a higher percentage of the people using the service or a broader-based funding structure and a greater sense of ownership from the general population, the District could end up with virtually no service. Mr. Kleger said also that one element of the legislation specified that one LTD Board member must be a regular user of the service. He did not know how that could be accomplished with an elected Board. He stressed that this was important to make the service work for the community. Representative Welsh mentioned that he had taken the bus from the River Road Transit Station to the Civil War football game, and had never gotten out of Autzen Stadium so fast in his life.

Mr. Saydack said that another justification for an appointed Board was that LTD's Board was in many ways a lot more like an administrative agency than legislative. The Board looked at a narrow range of issues. When appointed, members had to demonstrate an interest in this narrow range of issues and a willingness to study and learn. He thought that it made sense for someone like the Governor to make the decisions about appointments to the Board of this agency, like a lot of agencies.

Representative Welsh said that the appointed system still seemed to work, and that he could agree with Mr. Kleger's reasons due to the size of the system. He stated that he had played a big role in this issue during the last legislative session, and that the issue had become much

bigger much faster than anticipated. In response to a question from Mr. Bailey, Mr. Welsh said that it depended on the dynamics of the next legislature whether this would get much mileage in the next session.

Mr. Kleger asked if Representative Welsh saw any significant amount of support for looking at a more broadly-based funding structure for transit. Mr. Welsh said that he saw it growing, but he did not have a good sense of where it was at that time. Mr. Kleger said he knew that if LTD ever proposed something like that it would go nowhere without good, strong, private backing.

Representative Welsh said that what the District was doing was exactly right. He said that ratings in the UNCC report were what would help support this program, especially within the private sector. He said that the larger taxpayers could help with smaller ones, and he thought the Board's plan to talk to taxpayers was a good one. Representative Welsh suggested that the District work with the small business coalition at the state level. It included a lot of the smaller players in the state. Ms. Hocken mentioned that the Board had sent invitations to all of the members of the local area's legislative delegation, and Senator Kintigh had chosen not to meet with the Board, so the Board had not had a chance to discuss the issues with him.

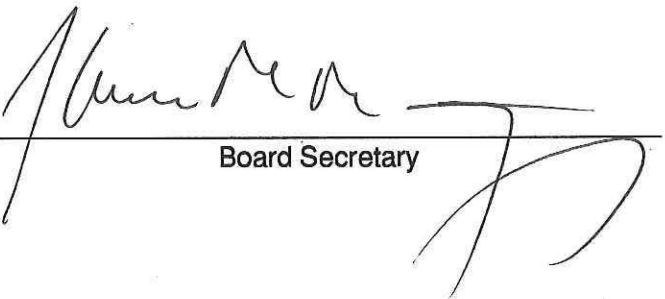
Ms. Loobey informed Mr. Welsh that Senator Dwyer and John Lively had lunch the day before, and Senator Dwyer had told Mr. Lively that he was willing to advance Mr. Lively's reappointment to the Governor's office. Mr. Lively said he was willing to stand for reappointment, but did not want it to collapse on the Senate floor as it had done the first time. Ms. Hocken said that John Lively seemed to be a good candidate for the Board, with broad community experience and a pro-business attitude in his daily work. Ms. Loobey added that the vacancy was a little over a year old, and the issue of whether the Board should be elected did not even touch on whether the current vacant position should be filled so the District could continue its business. Mr. Welsh likened this to the issue of taxation without representation for the people of Springfield.

Representative Welsh asked what kind of relationship the District had with the Associated Oregon Industries (AOI). Ms. Loobey said that she had a good relationship with Jim Whitty, from working with the AOI, AGC, and AAA in a coalition on transit. She thought that Mr. Whitty had been very helpful with the transit issues with some of the legislators. AOI's interest on transportation issues came to the fore when they started looking at some of the provisions of the Clean Air Act and understanding the issues of clean air and the need for compliance and improvements. Mr. Whitty saw that transit was part of the solution for economic prosperity. Mr. Welsh said he would let Ms. Loobey know the name of the executive director of the small business coalition, which was very new. He said also that it was a good time to study issues and get input into them before the next legislative session. He offered to help with specific issues.

Ms. Hocken informed Representative Welsh that one of the other things the Board was trying to do, in following up on the labor upheaval that the District had a couple of years ago, was to try to work in a more collaborative way with the union. The Portland leadership did not seem to be excited about working with the District, but the Board and staff were trying very hard to work with them, to try to avoid that kind of confrontation the next time. Mr. Welsh said he thought that management should have a well-documented, strong track record of trying to work with the union. Ms. Hocken added that the Board had also tried to be very responsible as a public agency in paying administrative, non-union people what the market indicated, rather than more than should

be paid. The District had gone through an extensive compensation study in the last year and a half or so, and had managed to obtain some private employer data to add to the study, as well. She stated that it was an exciting and busy time to be with the District because they were finding new and better things to do.

Ms. Hocken thanked Representative Welsh for his time. With no further discussion, the meeting was adjourned at 1:30 p.m.


Board Secretary

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