

# MINUTES OF BUDGET COMMITTEE MEETING

## LANE TRANSIT DISTRICT

Thursday, April 23, 1998

Pursuant to notice given to *The Register-Guard* for publication on April 5, and April 16, 1998, and at the April 22, 1998, 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 (LTD) was held on Thursday, April 23, 1998, at 7:00 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present:

### Board Members

Kirk Bailey  
Rob Bennett  
Pat Hocken  
Dave Kleger, Committee Secretary  
Dean Kortge  
Mary Murphy

### Appointed Members

Russ Brink  
Rick Crinklaw  
Gerry Gaydos, Committee Chair  
Mary Gilland  
Gino Grimaldi  
Virginia Lauritsen  
George Rode

### Staff

Phyllis Loobey, General Manager  
Mark Pangborn Assistant General Manager  
Diane Hellekson, Budget Officer  
Susan Hekimoglu, Recording Secretary

Absent: Hillary Wylie, LTD Board member

**CALL TO ORDER:** Committee Secretary Dave Kleger called the meeting to order at 7:02 p.m. Mr. Gaydos was not yet present at this meeting.

**PUBLIC COMMENT:** Mr. Kleger opened the meeting for comment from members of the audience. There was no one who wished to address the committee.

**BUDGET PRESENTATIONS, CONTINUED:** Ms. Lauritsen asked if she could get a copy of LTD's national ranking. Ms. Hellekson responded that she would provide one. Mr. Rode asked about the personnel services category, and if the budget included the cost of benefits. Ms. Hellekson directed his attention to pages 1 and 2 of the General Information section of the budget notebook, where he would find a breakdown of District salaries. Those salaries included the cost of benefits.

### Operating Fund Department Budgets (continued):

1. Transit Operations. Mr. Pangborn presented the proposed budget for this department. He stated that the proposed budget for Transit Operations would

result in an approximate increase of 12.8 percent in personnel services and a 29.3 percent increase in materials and services.

Mr. Grimaldi asked how many hours of service were performed by six bus operators. Mr. Vobora replied that six operators would make up about 2 percent of the total operational hours, or about 60,000 hours.

Mr. Grimaldi asked if there was a long list of service needs that were not being met. Mr. Pangborn responded that staff reviewed both capital and service needs. Following that review, a list of those needs was generated and prioritized. The high-priority items tended to be included in the budget request. Mr. Grimaldi asked if LTD was meeting most requests. Mr. Pangborn responded that LTD probably was meeting most service needs, because it had a high level of service per capita.

Ms. Lauritsen asked what was included in the service cost per hour. Mr. Pangborn replied that all service costs included all transit operations costs, including the salaries and benefits of bus operators.

Mr. Rode asked if there were statistics to show the number of riders per service hour. Mr. Pangborn replied that typically service was measured by miles and hours. Urban service was measured by hours of service, but the average minimum ridership was set at 22 riders per hour (rph). The average for LTD was 44 to 77 rph.

2. Fleet Services. Fleet Services Manager Ron Berkshire presented the proposed budget for this department. Mr. Berkshire said that two additional Journeyman Mechanic positions were being proposed to meet the demands of an increased fleet size. In addition, the Training and Travel budget was increased to reflect one-time costs for new bus production inspection. Fuel costs were calculated at a lower rate, parts consumption would remain relatively constant, and new tire costs decreased by 14 percent.

Ms. Murphy asked what parts, if any, were funded by grants. Mr. Berkshire replied that federal regulations specified that some parts could be included in capital funding, including tires and transmission repair kits. Ms. Murphy then asked how the implementation of the Yield Law would be funded. Mr. Berkshire replied that the signs and operation would be charged to capital funding, while the installation and labor would come from the general fund.

Mr. Kortge asked if there was a difference in cost between the smaller 30-foot buses and the larger 45-foot buses. Mr. Berkshire responded that the cost of operation was nearly the same. Mr. Kortge then asked about funding to maintain the BRT buses. Mr. Berkshire stated that it was too early to consider those costs in this budget. Mr. Kortge also asked about the maintenance building and if it was large enough to handle the increased fleet size. Mr. Berkshire responded that the building had enough service bays to last at least another five years.

Mr. Kleger asked about the life span of the small buses versus the large buses. Mr. Berkshire replied that the heavy-duty bus had a projected life span of 12

years; however, LTD's heavy-duty buses typically lasted between 15 and 19 years. The medium-duty buses were projected to last for 10 years, while the light-duty buses lasted for 6 to 8 years.

Ms. Murphy asked if the buses that would be used to serve Cottage Grove and Creswell would add much cost to the service. Mr. Berkshire stated that it would not be a very big difference, because there was a difference in the wear patterns between that service and the current urban service. Buses traveling primarily on the freeway would experience a better brake life and fuel mileage. By comparison, service to the south hills area of Eugene cut fuel economy by 40 percent.

3. Facilities Services. Facilities Services Manager Charlie Simmons presented the proposed budget for this department. He said that the proposed budget reflected an increase of 37 percent due to the addition of one FTE employee and the increased cost associated with utilities, maintenance, and contracted cleaning services for the new Eugene and Thurston Stations.

Mr. Brink stated that he was impressed with the quality and functionality of the Eugene Station, and he thought it would stand the test of time. He asked how the District was addressing vandalism. Mr. Simmons replied that there was a high level of station supervision, both from staff and from the Downtown Eugene, Inc., Mall Guides.

Ms. Lauritsen asked if LTD had experienced a change in ridership figures since the Eugene Station opened. Mr. Pangborn replied that those figures were not yet available. The April figures would be available sometime in mid-May. Ms. Lauritsen asked staff to include the Budget Committee members on various informational mailing lists.

Mr. Gaydos arrived at the meeting at 8:30 p.m.

Special Transportation Fund: Mr. Vobora presented the proposed budget for this fund. He introduced Transit Planner Micki Kaplan and Lane Council of Governments staff member Terry Parker, who worked together to oversee the Special Transportation needs of the community. He stated that the proposed budget reflected an increase of 5.8 percent, due primarily to an increase in LTD's general fund transfer funds. The majority of the increase would pay for wage and benefit increases for RideSource.

Mr. Kortge asked if LTD was required provide special transportation services. Mr. Vobora responded that RideSource experienced an acceptable ride refusal rate of between 1 and 2 percent. The service was mandated by the Americans with Disabilities Act (ADA). Money provided by LTD was maintained within the LTD service district.

Mr. Kleger stated that he was a member of the Special Transportation Fund Advisory committee (STF). He stated that it was a unique experience to observe groups who had limited money available actually advocate for increased fares to help pay for the RideSource service.

Capital Fund: Ms. Hellekson presented the Capital Fund for Fiscal Year 1998-99. She reminded the committee that this fund was approved by the Board each year prior to the Budget Committee meetings.

Mr. Rode asked how many parking spaces were being planned for the Seneca Station. Ms. Hellekson replied that 44 spaces would be available.

Mr. Grimaldi asked what happened to the Fund Balance Reserves. Ms. Hellekson stated that those reserves were used as the local match for grant funds.

BUDGET SUMMARY: Ms. Hellekson reviewed the entire proposed budget for Fiscal Year 1998-99, which included the Capital Improvements Program, the Long-Range Financial Plan, and the Strategic Action Summary. She stated that further information would be provided to the committee, including the University of North Carolina at Charlotte (UNCC) study, productivity information, a comparison of costs comparing the costs of operating large buses with small buses, and the effect of the new station on ridership.

Mr. Gaydos stated that he also would like more information about what the lifetime costing investment saved the District. Ms. Lauritsen said that she thought a one-sheet summary combining all of the statistics that Ms. Hellekson had mentioned would suffice.

## MOTION

There being no further discussion, Ms. Lauritsen moved that the LTD Budget Committee forward to the LTD Board of Directors a recommendation to adopt the FY 1998-99 proposed budget as presented. Mr. Kortge seconded the motion.

BOARD DISCUSSION: Mr. Kleger stated that the bus rider in him wished LTD could provide more service, and fellow bus riders had stated the same desire. However, LTD tended to push fiscal conservatism to the edge, and in general it was the most efficient organization he had ever dealt with. He always received prompt answers to his questions and concerns. He believed that LTD was living within its means and doing what was expected of it.

Mr. Bailey thanked staff for the proposed budget presentation, which encapsulated issues and was easy to understand. He repeated his comments from last year that he worried about the political climate, and cautioned staff to be aware of changing currents, particularly with regard to tax rates.

Ms. Murphy stated that she was delighted that LTD had added new positions, and she was impressed with the amount of work that was generated at current staffing levels.

Ms. Hocken said that she thought it was exciting to be spending money to do the things that have been visions for a long time, such as BRT and Park & Rides. She continued to be concerned about how money was spent and that LTD was spending public funds on the right things.

Mr. Brink agreed with Mr. Bailey's comments. He said there were many people in the business community who made comments regarding the tax rate and the perceived level of service. Also, people in the both Eugene and Springfield were concerned about the level of growth and the impacts of the loss of land. The work LTD did to provide an alternative was important to the long-term quality of life. He was impressed with the work and mission of LTD.

Mr. Kortge stated that he was impressed with staff. If the budget was a plan and a blueprint for the future, he was very impressed with LTD's budget.

Mr. Rode said that he was pleased and impressed with the attention to detail and the knowledge he had gained.

Mr. Grimaldi complimented the Board and staff for providing a budget with a vision. He said that there was not enough vision in the public sector today. He was pleased to see that even with BRT, the District had not lost sight of its mission of customer service. He added that he supported BRT and that it would set the community apart in terms of future survival.

Mr. Gaydos stated that he had been impressed with the presentations from staff. He said that the public sector was afraid to try something new, and even if BRT did not work, the pieces of it were essential. He complimented LTD on the Eugene Station as a wonderful piece of urban art. It added an amazing element to the City of Eugene.

**VOTE**

There being no further discussion, a vote was taken on the motion to forward a recommendation to the LTD Board of Directors, and the motion passed by unanimous vote.

**ADJOURNMENT:** There was no further discussion, and Mr. Gaydos adjourned the meeting at 9:05 p.m.

 4-29-99  
Budget Committee Secretary