

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, August 19, 1998

Pursuant to notice given to *The Register-Guard* for publication on August 13, 1998, and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held on Wednesday, August 19, 1998, at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, President, presiding
Rob Bennett, Vice President
Patricia Hocken,
Dave Kleger, Treasurer
Dean Kortge
Hillary Wylie, Secretary
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: (One Vacancy, Subdistrict #2)

CALL TO ORDER: The meeting was called to order at 5:35 p.m. by Board President Kirk Bailey. Ms. Wylie was out of the room but re-entered shortly.

MOTION **EXECUTIVE SESSION:** It was moved and seconded that the Board move into
VOTE 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 carried by
unanimous vote, 6 to 0, with Bailey, Bennett, Hocken, Kleger, Kortge, and Wylie voting in favor
and none opposed. The Executive Session began at 5:36 p.m. District counsel Joe Richards
was present for this conversation with the Board.

RETURN TO REGULAR SESSION: The Board unanimously returned to regular session
at 6:15 p.m.

ITEMS FOR INFORMATION AT THIS MEETING:

Board Member Reports: MPC--MPC had not met in July or August, so there was no report. Springfield Station Steering Committee--The Springfield Station Steering Committee had a walking tour of possible station sites. The Steering Committee appeared to be interested in considering a multiple-use facility, and was very supportive of Springfield. BRT Steering Committee--Mr. Bennett reported that this committee had met three times, and also was a very good group, representative of the community as a whole. He was pleased that there were interested Springfield and Lane County participants as well as those from Eugene. He stated that Ms. Hocken and Mr. Bailey were valuable in terms of their LTD representation. He thought the committee had made significant progress. The first BRT corridor would be

fairly long, and would be divided into eight segments for public processes. He said the committee had held a test design workshop with some people who were familiar with the issues, so might have been more critical than the general public. He thought it went very well, and interesting ideas were presented. The process for gathering public information at a design workshop was tested and critiqued. In the future, the committee would be holding committee meetings as well as working through the corridor segments and setting the direction for each new segment. He said the District should work very hard to keep the project in front of the people, to make the case aggressively. He said he was encouraged about where the project was at that time. Mr. Kleger asked if people were accepting the idea that LTD had to do something different. Mr. Bennett said that the District had to be cognizant that there was no way to accomplish this project without negatively affecting some people, so the committee was doing everything possible to mitigate that. He said it was important to make the case that there would be more congestion in the future, and the case for convenience, how the vehicles would look, routing, etc. Ms. Hocken said she thought the test design workshop was very successful, but it was important to note that many of the people there were planners and knew about transit issues. Even those who did not, however, seemed to recognize the need to do something different. When the committee offered the first real workshop, it would know more about the community feeling. Mr. Bailey added that a lot of time was spent looking at maps at the workshop, and he saw people come to an understanding of the project. He did not hear negative critical comments, but heard critical comments that were very helpful.

ITEMS FOR ACTION AT THIS MEETING: At 6:30 p.m., Mr. Bailey began the regular business portion of the meeting.

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Mr. Bailey said he had some comments to make as the new Board President. He said he appreciated the confidence the Board had shown in him in electing him to the position. He outlined four areas the Board needed to concentrate on during the next couple of years. First and foremost, he said, was bus rapid transit (BRT): LTD had been working very hard to put the pieces into place to make this a viable project for the community, and that would need to continue. Second were the group pass and other programs of that nature. Mr. Bailey said he would do everything he could to make an LCC group pass happen. Third, he saw the need to further develop the role with the District's various partners--the cities, state, federal partners, etc., to see transit as a TransPlan entity and not just another bus company. He thought the District had come a long way in a few years, and people were expecting LTD to show leadership. Fourth, he mentioned the recruitment of a successor for LTD's general manager who would do the organization and Ms. Loobey justice. He said the Board would need to be thinking about how to replace someone of Ms. Loobey's caliber.

EMPLOYEES OF THE MONTH: Mr. Bailey introduced Transit Operations Administrative Assistant Jill Howard as the August Employee of the Month. She was hired in April 1991, and also had been the July 1993 Employee of the Month. She was nominated by a co-worker who said that Ms. Howard deserved recognition for her many job duties that benefited LTD, such as organizing, preparing, and running the operator bids. The co-worker thought that without Ms. Howard's expertise, dedication, and perseverance, the Transit Operations department would not run nearly as smoothly, and said that as a result of the reorganization and recent changes in personnel in the department, Ms. Howard had risen to the occasion and taken on

extra responsibilities. When asked what made Ms. Howard a good employee, Transit Services Administrator Rob Montgomery said that Ms. Howard was one of the most hard-working, dedicated employees in the Transit Operations department, with a general knowledge of all department staff's duties and responsibilities; she often was called upon for assistance beyond general expectations; and the extra she gave was tremendously appreciated by all.

Mr. Bailey presented Ms. Howard with a letter, certificate, and monetary award. Ms. Howard said that she was proud to work for LTD, loved her job, and looked forward to many more years of doing her best.

Mr. Bailey then introduced the September Employee of the Month, Diane Petersen, who was LTD's new customer service area custodian. Ms. Petersen was hired in August 1986 as an inside cleaner. In February 1995 she became the lead cleaner, and had received many awards for her attendance and safe work (no time loss). In March 1998, she was selected for the new position of customer service area custodian at the new Eugene Station. She was nominated for the Employee of the Month award by several LTD employees, who said that Ms. Petersen was very hard-working and conscientious, and that her courtesy to customers had been reported by many bus riders. One co-worker stated that Ms. Petersen had adapted to her new position with style and grace, and that her friendliness and positive attitude were a great help to her co-workers and the public, alike. When asked what made Ms. Petersen a good employee, Facility Services Manager Charlie Simmons said that Ms. Petersen was an excellent ambassador for LTD, not only with customers, but also with LTD employees. Mr. Simmons said that she took pride in ownership of the new Eugene Station, and couldn't be a better match for all the demands of the job, including the mix of cleaning responsibilities and customer service. He stated that she was friendly and professional, knew and interacted well with the customers, provided the first line of customer information, and was assertive but not aggressive when she had to correct people's behaviors at the station. He commended her for her excellent people skills, and said he was very pleased to have her fill this position so well for LTD.

Mr. Bailey presented Ms. Petersen with her certificate, letter, and monetary award. Ms. Petersen said that Mr. Simmons and his crew were great to work with, and that she enjoyed all the people and she was making a lot of friends there. She said that every day was a different experience, and she was finding it challenging, and that she was proud to work for LTD.

RECOGNITION OF PAST PRESIDENT: Mr. Bailey said he wanted to recognize Ms. Hocken for her role as Board president from 1994 to June 1998. He described her many activities at the state and local levels, including her participation on the Metropolitan Policy Committee (MPC) and LTD Board committees, and working toward an LCC group pass program. He presented Ms. Hocken with a plaque thanking her for her leadership and service as Board president.

Mr. Bennett said that having served on a number of different boards, commissions, and advisory groups, he wanted to second what Mr. Bailey had said. He thought Ms. Hocken was one of the strongest leaders he had had the privilege to work with. She gave him the

opportunity to present his agenda and opinions and led the charge for important things for LTD. He had appreciated her leadership, and commended her for an excellent job.

Ms. Hocken thanked the Board for allowing her to serve as president for four and a half years. She said it just took too much time, so she did not feel she could continue in that role. She said she appreciated the comments and the opportunity to hold that leadership position, and that she thought Mr. Bailey would carry forward and do a good job for the District.

FINANCIAL ACCOUNTING AWARD: Ms. Hocken asked to recognize Finance Manager Diane Hellekson, saying that several years ago Ms. Hellekson had undertaken a project to get the District's financial reporting in accordance with the Government Financial Officers Association guidelines. This was the second year in a row that LTD had received an award for Excellence in Financial Accounting. Ms. Hocken commented that it took a lot of effort on the part of the entire Finance department, and especially Ms. Hellekson. She presented Ms. Hellekson with a plaque from the Government Finance Officers Association.

AUDIENCE PARTICIPATION: Mr. Bailey asked for comments from any member of the audience. There were none.

CONSENT CALENDAR: Mr. Kleger moved that the Board adopt the Consent Calendar. The motion was seconded, and Mr. Bennett stated that he would abstain from voting because he had not attended the last meeting. The Consent Calendar was then adopted by a vote of 5 to 0, with Bailey, Hocken, Kleger, Kortge, and Wylie voting in favor and Bennett abstaining. The Consent Calendar for this meeting consisted of the minutes of the June 24, 1998, special Board meeting.

HIGHWAY 126 INTERIM CORRIDOR STRATEGIES: Planning & Development Manager Stefano Viggiano said that staff were asking the Board to adopt Highway 126 East and West interim corridor strategies. He introduced Carol Heinkel and Larry Schaffner of the Lane Council of Governments (LCOG) and John Detar and Nick Arnis of the Oregon Department of Transportation (ODOT). Mr. Viggiano explained that LTD staff had been involved on the steering committees for both the West and East plans, and there had been a fairly extensive public involvement process. He described LTD's current service along the west and east corridors, and stated that the growth in Veneta presented some opportunities for transit. The highway between Veneta and the metro area was the most critical for improvement, because it was the most congested, but would be difficult to expand for environmental reasons. Mr. Viggiano said that in preparation for a plan from the Oregon Transportation Commission (OTC), there needed to be a Board discussion of the priorities for rural service. He suggested that the Board should think that through carefully so LTD could participate effectively at the next step.

Mr. Schaffner, the project manager for the Highway 126 East development effort, spoke about the corridor planning process and the issues involved in providing safe and efficient highway use while protecting the corridor, which passed through the Deschutes National Forest. Consideration was being given to providing bus pullouts, shelters, and other amenities to provide safe passenger loading for school buses and LTD. He suggested that perhaps

transit could serve seasonal recreational needs that occurred, to help with congestion in traffic and parking for increasing tourism and recreational use along the corridor.

Ms. Loobey commented that she would be interested in continuing to explore how to improve the access and driveway problems in rural and urban areas.

Ms. Heinkel talked about the Highway 126 West corridor, which included 67 miles from Interstate 5 in Eugene to Highway 101 in Florence. The total population of the corridor was over 22,000, including two small cities and four small communities, and more than 14,000 residents in unincorporated areas. Population growth in Florence, Veneta, and the metro growth area were expected to increase the demands on the corridor. It also was the primary route for commuters from Veneta and Eugene for work, and there was increased residential growth in Veneta because of the employment growth in the West Eugene area. She highlighted some of the transit strategies that were being investigated, and noted that transit service played into all eight strategies.

Ms. Loobey asked if consideration had been given to using the rail corridor as an alternative relief valve. Ms. Heinkel said that passenger rail had been discussed. The rail corridor currently was used primarily for freight, and the discussion was about how to integrate rail service without putting more freight on the highway. Passenger service was limited and could not compete with other modes in travel time, but was recommended for further study.

Ms. Wylie asked if there would be an opportunity to give input regarding additional passing lanes. Ms. Heinkel said that the strategy would address that question.

Ms. Hocken asked about the possibility of a high-occupancy vehicle (HOV) lane between Eugene and Veneta, and whether there was enough room to add a lane. Ms. Heinkel said more design work needed to be done before it could be known whether that would work.

Mr. Bennett asked if Ms. Heinkel could give some sense of the amount of right-of-way available along the corridor within the urban services boundaries. The response was that there were different rights-of-way in different places, but no information was available at that time. It would be improved with the West Eugene Parkway, and state right-of-way would be on a different route. Mr. Arnis promised to find out for Mr. Bennett.

Mr. Kleger asked if there was anything in the strategies for either section that would preclude separate bus lanes for bus rapid transit (BRT). The response was that there was not; strategies on both sides would support BRT, and BRT was seen as an opportunity. Mr. Viggiano added that it was good that the strategies supported BRT, but the guiding document would be TransPlan because that would take precedence in the urban area.

MOTION Ms. Hocken moved that the Board adopt the resolutions endorsing the Highway 126 East and Highway 126 West Interim Corridor Strategies. Ms. Wylie seconded, and the motion
VOTE carried unanimously, 6 to 0, with Bailey, Bennett, Hocken, Kleger, Kortge, and Wylie voting in favor and none against.

Mr. Bailey thanked the guests for their presentations.

CHANGES TO THE AGENDA: Mr. Bailey noted two changes to the agenda: staff introductions, and a resolution regarding a pension trustee to be added after Board committee appointments.

INTRODUCTIONS: Ms. Loobey introduced Mark Johnson, LTD's new transit operations manager, and Linda Lynch, LTD's new intergovernmental relations manager, a new position for the District. Mr. Bailey welcomed both staff members to the District.

FIRST READING: EIGHTH AMENDED ORDINANCE NO. 35, AN ORDINANCE SETTING FARES FOR USE OF DISTRICT SERVICES: Service Planning & Marketing Manger Andy Vobora stated that he was somewhat uncomfortable with some of the calculations in the agenda packet, so he would not ask for a first reading of the amended ordinance that evening. Staff would bring this issue back to the Board in September.

BOARD COMMITTEE APPOINTMENTS: Mr. Bailey stated that the Eugene Station Committee, the Labor Relations Committee, and the Community Outreach Committee had finished their assignments. He had decided to disband the Community Outreach Committee for the time being, although it could be called into existence if needed later. He stated that representation on the Metropolitan Policy Committee (Ms. Hocken and Mr. Bennett); the Bus Rapid Transit Steering Committee (Mr. Bailey, Mr. Bennett, and Ms. Hocken); the Springfield Station Steering Committee (Mr. Kleger and Ms. Wylie); and the Statewide Livability Forum (Ms. Hocken) would remain the same. Mr. Bailey decided to wait until the Board was at full complement before naming the Compensation Committee and the Finance Committee.

PENSION TRUSTEE: Ms. Loobey stated that in Ms. Hocken's role as Board president, she had served as a trustee for the LTD Salaried Trust and the ATU Pension Plan. The Board needed to adopt a resolution changing that trustee to the new Board president.

MOTION Ms. Hocken moved the following resolution: "Resolved, that Kirk A. Bailey, President of the LTD Board of Directors, is hereby appointed as successor trustee under the Lane Transit District/Amalgamated Transit Union Local 757 Pension Trust and the Lane Transit District Salaried Employees Retirement Plan, as a successor to Patricia R. Hocken, effective August 20, 1998." Mr. Bennett seconded the motion, which then passed by unanimous vote, 6 to 0, with Bailey, Bennett, Hocken, Kleger, Kortge, and Wylie voting in favor, and none opposed.

VOTE

CONTINUE ITEMS FOR INFORMATION: Following the Action Items, the Board continued with the rest of the Items for Information for this meeting.

Preliminary June Financial Statements: Finance Manager Diane Hellekson stated that LTD was undergoing its independent audit, and staff would bring the Comprehensive Annual Financial Report to the Board in the fall. Preliminary year-end materials were included in the August Board packet, but staff would wait for the audited report before making a formal presentation.

Mr. Bennett said that he thought the financial information the Board received was being presented as well as he had ever seen it, so he appreciated that. One of the difficulties he

continued to have, he said, was the lack of an explanation, or footnote, about why LTD was spending more money over some prior period, so he was curious about why administrative wages were up 12 percent and benefits up 24 percent. Ms. Hellekson explained that this was due to the reversal of Measure 8 shifting money between the two categories. Mr. Bennett suggested that staff give more explanation quarterly, such as a footnote, to explain instances such as this one in more detail. Ms. Hellekson said she would begin a page of footnotes that could remain with the report throughout the year.

Addition of Two Full-time Field Supervisors: Mr. Johnson presented this item as an informational item for the Board, and asked to hear the Board's questions and concerns. In September, he planned to make a formal proposal. He reviewed that in December the Board approved two positions with the opening of the Eugene Station because of some uncertainties regarding security at the station. The six-month trial period for those positions was almost finished, and he believed that the experiment had been successful: there was a high level of security, and the station was in good condition. He stated that the additional supervisors provided more benefit than just security, including customer service and operator support. Supervisors were able to deal with issues on the spot, including operator concerns, operational issues, and customer problems and issues. The level of service that the supervisors could provide was much higher than that of the Mall Guides, because supervisors could deny service and make decisions specific to LTD. They also could be more responsive to problems in the field. Their main focus was on the platform at the station, but they also were able to respond if needed in the field, so operators and customers were not left in serious or dangerous situations. They also could respond to detours better and keep operators from having to make up detour routing as they went along.

Another consideration mentioned by Mr. Johnson was the growth of LTD's service, which meant that the need for field supervision was expanding. He stated that the District's current total of five permanent field supervisors was not adequate for the service level. Each supervisor was responsible for 40 operator evaluations each year, which were too many for the level of performance management needed. Increasing to seven permanent, full-time supervisors would reduce that evaluation total to 28 each, which would be much more manageable. Additionally, the Springfield Station and BRT would add to the need for field supervision. He stated that the two field supervisor positions would head LTD in the right direction.

Mr. Johnson discussed the cost. The two temporary positions were funded through September. The added cost for the two positions and benefits until the end of the fiscal year would be approximately \$90,000. The annual cost would be \$120,000. For that, the public would receive a better-managed system and better facilities.

Mr. Kleger thought this proposal was timely. He wondered if the Board could receive a projection of when the next increase would occur, with projected growth. Mr. Johnson said he had been at LTD only for a month, and already was asking for two positions, but he saw the need for additional supervision as LTD expanded. There were some incidents lately where LTD did not have coverage that made him fairly uncomfortable, such as one time when it took 20 minutes to get a field supervisor to the scene of an accident to assist the bus operator.

Mr. Bennett asked about the ratio at other transit districts. Mr. Johnson replied that it varied, but that a typical number was 20 to 25 operators to evaluate or coach. The 28-evaluation range was better, but Mr. Johnson was even more concerned about covering all the safety issues on the street.

Mr. Bailey asked about specific safety issues at the station that were driving the request. Mr. Johnson replied that the station was one piece of the puzzle. There currently was good control at the station, and pulling supervisors away from the station for short periods would not have a serious impact. The Mall Guides could fill in, and the police substation was on the property. The station itself was not as big an issue as having enough field supervisors to cover the entire system.

Bus Rapid Transit Project Update: Mr. Viggiano invited the Board members to participate in coming BRT events, as listed on page 18 of the agenda packet. Staff believed that the test design workshop had been successful, and they had learned things to make the public session even better. Mr. Viggiano said that staff had been going door-to-door to visit business owners along the corridor. So far, 15 to 20 contacts had been made, and staff believed that those contacts had been valuable and that a number of those people would continue to participate in the process.

Project Engineer Graham Carey shared with the Board some of the ideas that were shown to the design group. Four ideas that were workable for LTD, some to a lesser or greater extent, were discussed. Those were: (1) taking away a traffic lane to provide a curbside bus lane; (2) constructing a curbside lane; (3) constructing a two-lane guideway in the median; and (4) constructing a one-lane guideway in the median. Mr. Carey explained that a curbside lane had to end 150 feet before an intersection to allow right turns by other traffic. Adding a lane would eliminate the median, so the street would be all asphalt. Business owners also tend to think there is a psychological barrier from cars getting to their businesses when there is a curbside bus lane. A two-way guideway in the middle would avoid access problems across the guideway, and would leave a narrow median between the two guideway lanes. A single-lane guideway would mean that the buses would operate on one side of the median and cross to the other side, and that buses going opposite directions might have to wait and go by each other at the intersection. The workshop participants also came up with some interesting ideas, which staff would be examining further. He thought that people who participated had a better understanding of what LTD had been trying to tell them after they had worked through the process themselves. Mr. Viggiano added that one of the ideas from the workshop was to look at a combination of two-way and one-way guideways along the corridor, because using a two-way guideway where possible would mean fewer delays for buses.

Ms. Hocken stated that there was a certain amount of interest in touting the section as a gateway for Eugene, so they would want to make it attractive, with green where possible, possibly not only in the median.

District Boundary Update: Mr. Vobora stated that the District's boundaries were set by Oregon Revised Statutes. LTD could set boundaries up to 2.5 miles from existing bus routes, or take an entire census tract where bus routes existed. In June, the Board had reaffirmed the District's boundaries, which was required on an annual basis when changes were not made.

As staff considered how to define boundaries for possible Cottage Grove and Creswell service, they also looked more closely at existing District boundaries.

Mr. Vobora showed proposed boundary lines on a map with Lane County and current LTD boundaries. In the eastern portion of the service area, LTD had used the census tract because there were vast amounts of forestland and not too many businesses. Closer to the metropolitan area, the boundary was set along some natural boundaries, such as the McKenzie River. On the north, some section lines matched the county boundary. In the Junction City area, the District boundary was closer to 2.5 miles from existing routes, and in Veneta, it ranged from one mile to more than 2.5 miles. In one South Eugene area, the boundary actually was inside the urban growth boundary and service area. Therefore, he said, the current boundary was not applied consistently, and some people who were farther than 2.5 miles from service were being taxed.

The proposed boundary as shown on the map used a criterion of a one-mile buffer, but included the urban growth boundary if that was farther than one mile from service. It proposed maintaining the McKenzie River as the boundary, as well. Staff believed that this proposed boundary accomplished a number of goals: (1) It would appear more logical to area residents; (2) It would correct the situation for people outside the 2.5-mile limit who currently were paying taxes; and (3) It would provide a framework for how to extend the boundary in the future.

Mr. Vobora discussed the revenue impact of the proposed change. It appeared that the change would mean a loss of about \$140,000 in tax revenue a year (\$10,000 in self-employment taxes, and \$130,000 in payroll taxes).

Mr. Bennett asked why the District should use a one-mile limit if it legally could use 2.5 miles. Mr. Vobora explained that the biggest complaint was from people who were farther away from service. Mr. Bennett stated that when the Board set out to implement the self-employment tax, they made the argument that the taxpayers were a part of the transportation system even if they did not use it, and that the self-employment tax was an effort to balance the system so that there were alternatives to the fare--their customers came from somewhere and drove on the same highway as the transit system. He stated that people make conscious choices to live farther out where LTD did not have operating efficiency. He said he did not want to lose the revenue, and he would make the case with that argument. He said the District took a lot of heat to have what it now had in place, and it needed the revenue. He said he would think very carefully about this issue and changing something that did not need to be changed--maybe \$140,000 was not a big percentage of the total budget, but it was important when the District was trying to grow. He stated that if the Board approved the recommendation for two field supervisor positions and lost \$140,000 in revenue, those numbers got pretty big pretty fast.

Mr. Bennett said that one of his greatest concerns was that LTD had important things it wanted to do, and needed to be careful about presenting its initiatives, since other governments were in cost-cutting situations. He said the boundary proposal might make some sense, but losing that kind of revenue worried him.

Mr. Kleger said he was not excited about losing that much income on an annual basis, but, on the other hand, he had heard from people in those areas that LTD should serve them better, so he also was not thrilled about the existing boundaries.

Mr. Bennett likened this issue to saying that if a person did not have children in school, there was no need to pay school taxes. He said the community was either in this together or not--that was an important argument to make, and it needed to be made successfully.

Ms. Hocken said she was not sure if the border should be one mile or 2.5 miles, but \$140,000 was approximately one-half of what LTD received each year from transit advertising. She said that LTD went to a lot of trouble to receive \$300,000 in transit advertising revenue, and to reduce revenues by \$140,000 was a real number. She commented that Park & Ride facilities were available for people in those areas. She also thought that LTD would have to change its boundary a lot more frequently if the boundary were tied more closely to current bus routes.

Ms. Wylie requested that staff examine the 2.5-mile boundary for consistency and see how that would impact revenues. Mr. Vobora stated that going to a consistent 2.5-mile boundary would affect more businesses and self-employed people in rural areas who had not been paying the tax.

Mr. Bailey said he had not been aware of some of these issues, and noted that this was the first pass at revising the boundary. He suggested looking at a couple of different options and the revenue impact of those.

Mr. Kleger did not want to continue providing service outside District boundaries, so thought those should be changed. He suggested looking at a 1.5-mile boundary.

Mr. Kortge stated that he was not anxious to throw away \$140,000 in revenue. He wondered if LTD would gain income in South Eugene by extending the boundary to include existing service and the urban growth boundary. He seconded Mr. Bennett in saying that the District should look at this issue carefully. Mr. Vobora said there were a few businesses or self-employed people in the South Eugene area, and explained that some people or businesses outside the boundary did business within the boundary, and therefore paid the tax. He said that the new boundary policy would apply to Cottage Grove, also, and that at the last meeting with Cottage Grove officials, they had discussed using the I-5 corridor as the boundary along the area between Eugene and Cottage Grove. He said staff would need to have very good communication with Cottage Grove to explain LTD's direction with the rest of the District boundary.

Ms. Hocken asked about having additional discussion at the September Board meeting and putting of the ordinance for another month. Mr. Vobora said that would be fine; at this point, staff were just trying to keep this issue separate from the Cottage Grove boundary issue.

Mr. Bennett asked to make a general comment. He said that people had treated the self-employment tax as if it were a new tax, and LTD had been tracking it separately. In reality, he said, LTD was successful in selling the self-employment tax because the District made the

case that this tax would level the playing field. No matter what a person thought about transit service, if everyone else paid, that person should, too. He thought the District needed to figure out some way to present the taxes together or characterize them so that people tied them together and did not think of the self-employment tax as LTD dreaming up a new tax.

Ms. Hocken explained that some people were converting their businesses to limited liability corporations and were no longer subject to the payroll tax for the same type of business they had before the change, but were subject to the self-employment tax.

Mr. Bailey wondered if there might be some way to talk about self-employment tax revenues and payroll tax revenues together, but still follow them separately.

Board Development Proposal: Ms. Hellekson stated that the next Board strategic planning work session would be at the Hilton on October 10 and 11. Staff had identified several possible areas for Board discussion, and had broken them into day-long blocks, shown on page 23 of the agenda packet, for a total of five possible days. Ms. Hellekson suggested starting with the first two days as building blocks and then add the rest of the issues in evening work session, half-day sessions, or full days, to be determined later.

Mr. Kortge said he had not seen a lot of disagreement with management, so would suggest going immediately to block 2. Ms. Hellekson explained that the Board would be entering into a new phase, in which the Board would be in the middle of controversy as it worked through the BRT agenda, where there may be controversy between the Board and staff or the Board and constituents.

Ms. Hocken saw block 1 as process and block 2 as substantive. She shared Mr. Kortge's enthusiasm for getting into the substance. She added that she had never been on a board that dealt with disagreements as well as the LTD Board.

Ms. Wylie agreed with Mr. Kortge and Ms. Hocken. She was very interested in blocks 2 and 3, and said a lot of the Board members probably had had some training in block 1. She thought the issues in block 1 might be important, but not to spend so much time on, and said she would like to get to block 4 issues at some point in the future, also.

Mr. Kleger said his preference also was for getting into the issues. He thought block 1 issues might be useful as a refresher, but not for so long. He was interested in the practical issues of blocks 2 and 3, and the legislative issues in block 4, however those could be most practically scheduled.

Mr. Bennett thought he understood what Ms. Hellekson was talking about in terms of increased Board involvement. He noted that on the BRT Steering Committee he was chairing, the committee would get into a lot of those areas suggested for discussion, and would have to represent LTD with respect to its initiative when a lot of different people would be looking at different ideas. He thought the Board could get some good advice about how to handle that and how to be more effective when under pressure. He was looking at the proposed agenda more that way, not as dealing with controversy among the Board members themselves. At the same time, he thought that this could be done in two or three hours, or the morning session,

since time was valuable. He suggested trying to handle part of blocks 1, 2, and 3 in two days, and block 4 in a series of sessions or on another day. He thought the issues to be addressed in blocks 2 and 3 were very important in terms of how the Board saw where it was going and how to balance its priorities. He said there were some issues that were important to him on the proposed agenda.

Mr. Bailey agreed with Mr. Bennett. He was looking toward blocks 2 and 3, but thought it would be helpful to discuss how to work together the best in a strategic environment. He said that the Board had been talking a lot about defining productivity standards and he wasn't sure they were finished.


Mr. Kortge asked if it would be possible to incorporate block 1 in the process of discussing blocks 2 and 3, and suggested that there were some skilled consultants in town who could do that.

Ms. Hocken said she never felt that having staff present had been inhibiting, and Mr. Kleger said it was not an issue for him.

Ms. Hellekson agreed that staff would craft a two-day agenda leading off with block 1, and splitting blocks 2 and 3 in 1.5 days. She planned to review the revised agenda with the Board in September and then make the work session materials available to the Board. Block 4 would be considered for a Monday evening work session in the future.

In response to a question about how the Hilton was selected, Ms. Loobey said it was a combination of bids, costs, and accessibility.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 8:30 p.m.


Board Secretary