

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, November 15, 2000

Pursuant to notice given to *The Register-Guard* for publication on November 9, 2000, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, November 15, 2000, at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Rob Bennett, Vice President, presiding
Gerry Gaydos
Dave Kleger, Treasurer
Pat Hocken
Virginia Lauritsen
Ken Hamm, General Manager
Susan Hekimoglu, Recording Secretary

Absent: Hillary Wylie, President
Vacancy (Subdistrict 3)

CALL TO ORDER: Board Vice President Rob Bennett called the meeting to order at 5:37 p.m. Ms. Lauritsen was not yet present.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Bennett said that he had no preliminary remarks to make. Ms. Hocken commented that Mr. Robert Melnick was present. Mr. Melnick had been appointed by the Governor to fill the vacant Board position and was awaiting Senate confirmation of the appointment.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA: There were none.

WORK SESSION – PARATRANSIT, FACILITIES, AND RIDESHARING DISCUSSION: Mr. Hamm said that he had three issues to discuss that could result in a better stewardship of public funds.

Paratransit: Mr. Hamm said that there had been staff discussions about the role that the Lane Council of Governments (LCOG) had in the administration of the RideSource program. Currently, LTD had a staff person who coordinated the paratransit services with LCOG staff, and LTD paid for a staffed position (Terry Parker) at LCOG to coordinate and oversee the private contracting of the RideSource services. In addition, LTD paid an administrative overhead fee to LCOG. There could be opportunities to improve the efficiency of the paratransit administration, paratransit services, and the allocation of funds.

Mr. Hamm distributed a matrix that showed the estimated RideSource administrative cost savings of bringing in-house the management of the RideSource program. As currently budgeted in Fiscal Year 2000-01, the cost to the District was \$100,250. Mr. Hamm presented preliminary estimates for two options to bring the program in-house, either of which would save the District between \$11,750 and \$12,250 per year. He also noted that it was possible that the Transit Operations Department could absorb the clerical requirements of the program manager with the two staff currently assigned there, which could create a total savings of between \$22,250 and \$36,750 per year. He noted that these estimated costs did not include office space, or new equipment costs.

Mr. Hamm said that there also could be some political opportunities with this proposal. Ms. Parker also aided other rural communities with their elderly and disabled transportation issues, and Mr. Hamm thought her involvement in those areas should continue. LTD was the transportation agency for Lane County and could provide in-kind assistance to those communities.

Staff would be meeting with LCOG staff to discuss the possibilities of bringing the paratransit oversight services in-house. Staff also were asking for Board support in pursuing this effort and for continuing to seek opportunities to be more efficient.

Mr. Kleger asked staff to thoroughly check into possible issues that might affect the relationship with the Amalgamated Transit Union (ATU) before any decision was made. He said that he supported the idea of making the management of the program more cost effective. There always would be some difficulty in matching the resources with the demand for the service, and this proposal could help in that area.

Ms. Lauritsen arrived at the meeting.

Mr. Bennett asked if there was an operational advantage to bringing the management of the program in-house. Mr. Kleger said there would be an advantage in terms of closer coordination between the fixed-route service and the paratransit service.

Mr. Hamm said that at this time, there were no plans to bring the operational aspects of RideSource in-house. The Board members supported proceeding with this effort to a position where staff could make a formal proposal. Mr. Bennett asked for a further breakdown of the costs that would be associated with this proposal, including office space and equipment costs.

Facilities: Mr. Hamm said that staff had been working on a solution for the need to move RideSource out of its current location and focusing some resources on a joint relationship with the State Motor Pool to be located in the Glenwood area. Staff were seeking the Board's approval to delay the motor pool option in order to seek additional opportunities that might address LTD's facility and operational efficiency needs.

Mr. Hamm reported that there was a significant operating expense for "deadhead" buses operating to the southwest, west, and northwest parts of Eugene. In addition, LTD was experiencing lack of space issues in Fleet Services, Operations, and the Administration departments. He believed that there was financial and operational merit in seeking a satellite facility to address those needs.

Mr. Hamm said that a phased approach to a satellite development could save LTD significant money. Phase One might be to secure a piece of property with buildings already on it that, with limited investment, might serve as a RideSource facility. Phase Two might add LTD's west-side buses, with an investment in a preventive maintenance building, above-ground fueling station, and a bus washer. Phase Three could look at additional needs as LTD's and RideSource's needs changed; including facilities that provided fleet restoration capabilities.

Ms. Lauritsen said that if there was no urgency to making a commitment to the motor pool, she did not have an objection to staff further investigating a satellite facility option.

Ms. Hocken said that one of the reasons the motor pool location was being considered for the RideSource operation was that the operation would be more centrally located to the Eugene and Springfield area. Currently, RideSource operated out of the west end of Eugene. She did not want to rule out the possibility of locating RideSource in the Glenwood area.

Mr. Kleger said that the current lease for the RideSource property was about to expire without being renewed. The landlord had other plans for the property. He thought there was some urgency in seeking out the new RideSource location.

Ms. Hocken asked if the research would be performed by staff or by outside assistance. Mr. Hamm said that if a particular opportunity stood out, there could be the possibility of hiring a consultant and/or an architect.

Mr. Gaydos thought there could be a potential for collaboration with other government agencies, similar to the facility in the Thurston area that was shared by several Springfield agencies.

The Board indicated its support for the request to delay the motor pool option in order to seek out other facility opportunities.

Ridesharing: Mr. Hamm said that he was seeking ways to better accommodate the major employers that were located outside the urban core that had transportation needs that were not being met. LTD had an opportunity not only to better serve those employers, but also to make a real difference in vehicle miles traveled (VMTs) by offering ridesharing applications to those employers.

Fixed-route applications had not been the answer, and staff believed that the Commuter Solutions program could be the answer, if a commitment of resources and a spirit of

partnership could be orchestrated. Carpools, vanpools, and, in some cases, buspools had generated significant success for reverse commute applications in other metropolitan areas.

Currently, staff had conducted surveys at the large employers, such as Hyundai, to determine where each employee lived. Staff could further research to determine which shift those employees who were clustered together worked, and vanpools could be designed to accommodate those employees.

Using LTD's current vanpool from Eugene to Corvallis as an example, Mr. Hamm said that the vanpool traveled 100 miles round trip per day and carried an average of 16 passengers. This resulted in 16 one-way single occupant car trips being removed from the road each day, which equated to an annual VMT reduction of 350,000.

Staff were seeking support from the Board to research the commitment of a sizeable portion of the group pass dollars that were collected from those employers to the Commuter Solutions program. Mr. Hamm said that those ridesharing applications could make a difference, but would require a financial shift from traditional ways of viewing transit.

Mr. Hamm said that staff would provide more information about this proposal at the strategic planning work session in January.

Ms. Hocken said that the group pass was a revenue neutral item, and she thought the rates for group pass might need to be calculated in a different way. The Metropolitan Policy Subcommittee (MPC) on TransPlan had discussed TDM in relation to alternative measures. The subcommittee was interested in what type of TDM data was available and how willing people were to commute by carpool relative to their willingness to commute by bus or by private car.

Mr. Hamm said that typically, with the 12-hour shift structure, carpools and vanpools had a better chance to be successful than fixed-route service. The employers had to be willing to commit to supporting the car/vanpool, possibly by allowing the driver an extra few minutes before and after his/her shift and/or providing premium nearby parking spaces for the vanpools. The two vanpools currently operating between Corvallis and Eugene were leased and were operated by a member of the pool. The driver was responsible for picking up and dropping off the other members, typically from a centrally located park and ride. The lease was in the name of the driver, and the driver rode for free. The cost to the other members covered all costs of the lease, maintenance, and fueling of the van. Insurance costs also were rolled into the lease and covered personal liability insurance and maintenance. The cost of a vanpool would be subsidized until it was full.

The Commuter Solutions program would organize the vanpool(s) and provide a minimum subsidy to get it started and to give it time to grow. If a vanpool were unsuccessful, it would be discontinued. The ideal would be to have each of them reach 100 percent or better in return and become self-sufficient.

Mr. Bennett thought it was interesting that an employee would be willing to individually handle the lease. Commuter Solutions Coordinator Connie Bloom Williams said that the leases were 30-day leases from Vanpool Services, Inc., (VSPI), so if a vanpool was not working, it could be discontinued at any time. There was not much of a liability for the leasing employee.

Ms. Hocken said that it would be interesting to see if the in-town vanpool would have the same appeal as the longer-trip out-of-town vanpools.

Mr. Gaydos said that he appreciated Mr. Hamm and the staff for thinking about ways to be good stewards of public funds and for looking at ways to provide better service. He was supportive of all three proposals.

Mr. Hamm said that staff would continue to work on the issues and prepare a more formal proposal to the Board that would include more detailed information at the January Board meeting.

EMPLOYEE OF THE MONTH: General Service Worker Rodney Johnson was selected as the December 2000 Employee of the Month. Mr. Johnson originally was hired by the District in August, 1977, for the position of bus cleaner. He was promoted to the position of shop helper/luber in May 1978, and in June 1978 was reclassified to the position of general service worker. In 1999, Mr. Johnson earned a 20 Year Safe Worker award.

Mr. Johnson was nominated as Employee of the Month by his co-workers in the Fleet Services Department for his willingness to help his fellow employees and for being a hard worker who always had a smile and who put others before himself. They said that Mr. Johnson was respectful, honest, and kind hearted.

Fleet Services Supervisor Don Swearingen introduced Mr. Johnson to the Board. Mr. Swearingen said that Mr. Johnson was a team player whose cooperation, pleasantness, and work ethics made him a valuable part of the Fleet Services Department.

Mr. Bennett presented Mr. Johnson with a letter of congratulations, a certificate of achievement, a lapel pin, and a monetary reward.

Mr. Johnson thanked the Board and said that he enjoyed working at LTD.

AUDIENCE PARTICIPATION: 1) Mary Ellen Rochester of Eugene and representing the residents of Landsby Place, a senior and disabled residential apartment community, said that the elimination of routes #42a and #43a would cause the residents to have to walk more than four blocks to access businesses and buses along Highway 99. Bus service was needed at Landsby Place. She presented the Board with a petition that had been signed by 400 people in support of keeping the routing in place that currently served the Landsby Place apartments. There were many senior and disabled centers within the vicinity of Landsby Place, and most of the residents relied on buses for their only transportation as the RideSource service was more expensive.

2) Debbie Houghton of Eugene said that she also lived at Landsby Place and used the bus daily to travel to and from her employment. Many others used the bus as well from the stop on Jacobs. There were several senior and disabled centers as well as many low-income families in the area who would be left with hard options if bus service were eliminated.

3) Kai Wa Philips read a letter that had been written by her husband, Chris Philips, regarding the proposed elimination of bus service to the City View area. Mr. Philips stated in his letter that he had moved to Eugene nine years ago, and purposely had purchased a home located on a bus route that directly served the University of Oregon campus. Since then, he had used the bus almost exclusively for his daily commute to the University except on weekends when there had been no convenient service. With regard to the proposed elimination of service to the 28th Avenue and City View area, he stated that he would be left with a 15-minute walk to the nearest bus stop, which was 300 feet higher on the hill. As a homeowner, it was unrealistic to think he could move to follow the bus service; it was cheaper to purchase another car. Even if he could move, he was afraid that LTD would again cancel the service to his new location. By completely deleting services, LTD was, in particular, showing that it could not be relied on, except on some main streets, and he could not reliably purchase a home with the intent of using bus services. The main advantage of using the bus was that it reduced by one the number of automobiles he would need to purchase. If he had to purchase another car, he might as well drive all the way to the UO and purchase a parking permit. He would be left paying taxes to support a bus system that was useless to him. Currently, he used the bus for commuting to and from work as well as for errands, such as to medical appointments and for shopping. Those trips were on other routes, and LTD would lose those trips as well, if he had to begin relying on his car. He urged the Board to not discontinue the City View area service.

4) Kathleen Brandt of Eugene also spoke in favor of the City View bus service. Her family purchased their home more than eight years ago with the consideration that it was on a direct bus route to Sacred Heart Hospital where she worked. She had taken the last year off to be with her child, so she had not been using the bus as much. She was very proud that she and her husband had figured out a way to get three children to two places and to their two jobs all without a car. Their travel involved the bus, the school bus, and her husband's bicycle. Without the bus, she would have to give in and use her car. She wondered if there was an acuity factor considered on the hill. Maybe there were not the number of riders that was needed, but the hill was a challenge, which she believed meant that some level of service needed to be there. There were several people with disabilities who regularly depended on the bus. She was encouraged since she had returned to work in October to see more people using the #35 route, at least in the morning. She believed there were more people riding in the morning, and she thought LTD ought to leave some level of service in that area rather than just eliminating all of it. Ms. Brandt's young daughter, Genevieve, also asked the Board to please not stop the bus because she wanted to ride it when she grew up. Ms. Brandt really wanted to make the point that she was teaching her children to use the bus and was looking forward to purchasing the Freedom Pass for them and having them make the choice not to rely so heavily on the automobile.

5) Dave Andrews of Eugene, who also lived in the City View area and spoke in support of continuing the #35 route. He had lived well out of town for 35 years, but had moved into town the previous year, and part of the consideration for purchasing his home was the fact that it was on a bus route. He rode the bus part time to his office in order to conserve gasoline usage and to reduce pollution, and it was very pleasant to ride the bus. It appeared to Mr. Andrews as though ridership had been increasing. He recognized the difficult choice the Board had to make with discontinuing routes, but he hoped the Board would continue to operate route #35 City View. When considering the aging of the population, the route #35 would become more critical. He said that in Portland, 28 percent of the population was age 55 or older, and as the life expectancy continued to expand, there would be more older people who would need to ride the bus.

No one else wished to address the Board, and Mr. Bennett thanked those who had testified. Mr. Bennett mentioned that LTD would hold an open house at the Eugene Station on Thursday, November 16, for the public to review and comment on the route proposals that were being considered as part of the Comprehensive Service Redesign (CSR) that would result in service changes in September 2001. The open house would occur between the hours of 10:00 a.m. and 7:00 p.m. In addition, the Board would hold two consecutive public hearings at its regular meetings in December 2000 and January 2001 before a decision would be made.

MOTION
VOTE

CONSENT CALENDAR: Ms. Hocken moved the adoption of the following resolution, "It is hereby resolved that the Consent Calendar for November 15, 2000, is approved as presented. Mr. Gaydos seconded the motion, which passed by unanimous acclamation. The Consent Calendar for November 15, 2000, consisted of the minutes of the October 16, 2000, Special Board meeting; the repeal of obsolete or superseded procedures; and a revision of the LTD Investment Policy.

ACCEPTANCE OF INDEPENDENT AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2000: Finance Manager Diane Hellekson introduced Charles Swank of the independent auditors group, Grove, Mueller & Swank P.C., to present the independent auditor's report.

Mr. Swank said that the audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Auditor's report was found on page 17 of the Comprehensive Annual Financial Report (CAFR), which had been distributed to Board members. Typically, the auditing firm would report any exceptions in a management report; however, this year, the firm found no exceptions, so there was no management letter. It was the firm's opinion that LTD's financial statements presented fairly, in all material respects, the financial position of LTD as of June 30, 2000, and 1999, and the results of its operations and its cash flows were in conformity with generally accepted accounting principles.

Mr. Swank said that while there were no exceptions found during the audit, the firm had made some suggestions to management. Ms. Hocken said that it was not unusual to not issue a management letter, but to provide oral suggestions.

Mr. Swank said that LTD was a good financial organization that prepared its own financial statements. The transition of key finance staff had been smooth. The financial report consistently had won awards.

Mr. Swank said that there were new accounting and reporting requirements that the District management would be subject to in the future. He said that the new reporting requirements did not change the way the District budgeted or accounted for operations, but they did incorporate information into the annual financial report that would assist the users of the document. He presented a letter to the Board that outlined the new requirements.

MOTION

Ms. Lauritsen moved the following resolution: "Resolved, that the LTD Board of Directors accepts the Independent Audit Report for the fiscal year ending June 30, 2000." Mr. Kleger seconded the motion.

Mr. Bennett said that LTD had a fine record, and he was proud to be a member of the Board. It was important to know that Grove, Mueller & Swank P.C., was an independent firm, and even though it worked with staff throughout the year, LTD received the best independent judgment, which was critical in trying to act in an oversight manner. Ms. Lauritsen agreed.

VOTE

Mr. Bennett called for a vote on the motion, which passed unanimously by acclamation.

STATE LEGISLATIVE PRIORITIES: Government Relations Manager Linda Lynch was present to discuss the state legislative priorities for LTD and to gain Board direction about the relative importance of state issues.

The Oregon Legislature would convene on January 8, 2001, for its next regular session. The primary focus would be to balance the budget, determine the effect of ballot measures on the budget and on any laws, and to engage once again in trying to determine the appropriate level of funding for schools.

Oregon transit agencies met on November 14, 2000, to determine a final legislative agenda, which, as proposed, included seeking increased funding for elderly and disabled transportation services and the establishment of state responsibility for all or a portion of the maintenance and preservation of the urban bus fleet. In addition, transit agencies would continue to seek other state funding for transit and continued funding for Willamette Valley passenger rail. Other issues that would be of interest to transit were modifications to the Business Energy Tax Credit, clarification that workers' compensation did not extend to van and carpool drivers, development of incentives for shared-use park and ride facilities, and restoration of transit agencies' right to regulate firearms on their vehicles and property.

In addition, Ms. Lynch said that it was staff's intent to monitor all legislation pertaining to the administration of a municipal corporation as well as the budget process.

Ms. Lynch said that implementation language would be needed for Measure 7, which had implications for burden of proof and how government regulation would affect the value of property. She reported that there were 25 new members of the Oregon House of Representatives.

Mr. Bennett asked if Ms. Lynch anticipated asking Board members to be directly involved in lobbying activities as had been done in the past. Ms. Lynch said that she would call on Board members occasionally, as needed, to testify or provide input about particular bills. The first event that she was asking the Board to participate in would be a December dinner with the local representatives to discuss maintaining funding for elderly and disabled transportation services while pointing out that the money that was appropriated still did not meet the statewide need.

Statewide, the transit agencies would argue for transit's role in the preservation of the road system. Carrying passengers on a bus meant that many fewer cars on the road. Mr. Bennett asked if the issue of bus weight causing deterioration of the roads was brought up at the legislature. Ms. Lynch said that she had not heard it, but was prepared to address it if it came up.

**MOTION
VOTE**

Ms. Lauritsen then moved the following resolution: "It is hereby resolved that the LTD Board of Directors approves the legislative priorities as presented." Mr. Kleger seconded the motion, which carried unanimously by acclamation.

BOARD MEMBER REPORTS: a) Metropolitan Policy Committee (MPC). Ms. Hocken reported that MPC had appointed two subcommittees to resolve the TransPlan issues. Ms. Hocken was assigned to the subcommittee that would review and make recommendations on the alternative measures that were proposed in the draft TransPlan, and Ms. Wylie had been assigned to the other subcommittee would review finance policies and other unresolved issues. Both subcommittees would report back at the December MPC meeting.

Ms. Hocken said that if the alternative measures were selected instead of the state mandated vehicle miles traveled (VMT) reduction, the Land Conservation and Development Commission (LCDC) would need to approve those alternative measures before local adoption of TransPlan could take place.

Ms. Hocken said that the first subcommittee meeting had been very productive.

2) Statewide Livability Forum: Ms. Lauritsen said the meeting on November 2 had been very informative. Governor Kitzhaber spoke to the Forum, and an economist discussed the growth patterns for Oregon. Mr. Gaydos added that a video had been produced that included part of the BRT proposal. He asked staff to get a copy of the video to show at the strategic planning work session in January. Mr. Bennett asked about the expected growth

patterns for Oregon. Mr. Gaydos said that a 75 percent increase in the population of Oregon was expected over the next 20 years, and Salem now was the second largest metropolitan area in Oregon.

3) BRT Steering Committee. Ms. Hocken reported that the last meeting had been very interesting. The agenda items included the trees on Franklin issue and the Glenwood routing proposal. The committee ended up talking about BRT as a concept. The question came up about how much time would be saved as a result of the exclusive rights-of-way and how much time saving came from other components of BRT. Other philosophical issues of BRT were discussed as well. Eugene City Councilor Scott Meisner had raised the question that if LTD were willing to back off of the exclusive right-of-way issue in Glenwood, why then should exclusive right-of-way be supported anywhere else along the pilot corridor. Mr. Bennett had discussed his philosophy that in some areas, congestion was worse now and was expected to continue to deteriorate, such as along the Franklin Boulevard/UO segment. In Glenwood, the traffic currently was not as bad, and while it also was projected to deteriorate over time, the thought was that if LTD could get a foothold in Glenwood using other BRT elements, over time, the need for the exclusive right-of-way would become more apparent, and it would be better achieved.

Mr. Bennett said that the success of BRT would be based on a package approach. There was a certain expectation and feeling that people would have when they rode BRT. The entire package was more complicated than what could be immediately accomplished, and some compromises would be necessary, but it was important to be on record with what the future plans would be if the congestion reached a certain level.

Mr. Bennett said that he thought BRT was worth working very hard for. He thought that it was a unique opportunity in the evolution of a transit system in Eugene and Springfield and the County. He was not sure what all the answers were today, and he had heard from the Glenwood Business Association that there was more support for a mixed plan than there was for the immediate exclusive right-of-way. It was an ongoing and interesting discussion.

Ms. Hocken added that when analyzing the no-build and build options in some of the corridors, figures had not been included about what travel times were today. One of the known factors in the annual route adjustment was that each year, minutes had to be added to certain routes along busy corridors, but that information had not been captured in the materials that had been put together for BRT. She thought that the no-build alternative would look substantially worse than it looked today, and that was why BRT needed to be accomplished. It was not so much that it would make it better in 2015 or 2020, but it would be at least as good as it was today. It was an argument that had not yet been used.

The City of Springfield had received a grant to do some planning in the area of Glenwood between Franklin Boulevard and the river. LTD staff would work to have the future design of BRT incorporated into that plan.

Mr. Kleger said that he supported the position of the travel time issues, and it was important to keep the goal in mind. He agreed with what Ms. Hocken said about the no-build

option. If LTD did not build BRT, then LTD would own the right hand lane of traffic, and traffic would not move any faster than the buses could move.

Mr. Gaydos said that he appreciated what the other Board members had said, and he also thought it was important to secure the right-of-way now, but maybe not to use it immediately. He thought people could deal with things in the future easier than they could deal with things today. He noted that people on the Downtown Eugene, Inc., Executive Committee were asking those same types of questions. Although LTD may believe that it was at a certain stage in the development of the BRT, Mr. Gaydos thought there were many who were still at the questioning stage.

4) Springfield Station Steering Committee. Ms. Lauritsen said that the last meeting was held in June, and another meeting was not expected in the near future.

5) Eugene Downtown Visioning. Mr. Bennett reported that the committee had completed the first phase of the committee work. Some action priorities would be presented to the City Council or the Planning Commission. A second committee would be formed that would work more with the detail of the specific projects. The difficulty with this committee was trying to match the financial resources to projects, when, essentially, there were none. The Urban Renewal money was being spent on the library, and Mr. Bennett was very much an urban renewal advocate both from a private standpoint and from a community point of view. To the extent that a community should be involved in its downtown, in addition to those who participated downtown everyday, then a consideration needed to be made for what objectives the community had and how to fund those objectives.

An example of how difficult it was to come up with a plan with no resources to fund the plan was the issue of what to do with the West Broadway area. Enhancing West Broadway or opening it to vehicular traffic would require financial resources, of which there were none. He had worked on the opening of Willamette Street, which had been seen as a community project and not as a private business improvement project, yet some of the funding for that project came directly from concerned businesses.

Mr. Bennett distributed a copy of the downtown visioning report. He said that if there was interest in the list of priorities, he could be contacted for a copy. Also, he appreciated the staff support of Capital Grants Administrator Lisa Gardner, who also would be able to provide more information to anyone who was interested.

6) Lane County Board of Commissioners Meeting. Ms. Hocken said that LTD had asked the Commissioners how they would like to be involved in the approval of Phase 1 of the BRT pilot corridor. The two cities had decided to have their planning commissions review the BRT proposal first, and it was not clear if the County wanted to take an active role in the BRT approval process because there only was a very small segment of the BRT pilot corridor that was not in the domain of either of the two cities. The Commissioners decided to have the County Planning Commission in conjunction with the County Roads Advisory Committee review the proposal before it went to the Commissioners.

7) Board Finance Committee. Ms. Hocken said that the Committee had met on November 8, to hear the RideSource facility, LTD satellite facility, and rideshare concepts that Mr. Hamm had discussed earlier, and to review and approve amendments to the investment policy, which the Board adopted earlier in the meeting.

8) Board General Manager Evaluation Committee. Ms. Hocken reported that an evaluation tool had been developed that would be used by both Board members and as a self-evaluation tool by Mr. Hamm. The blank forms would be distributed to the Board members, and the evaluation would be conducted at the December meeting in executive session.

GENERAL MANAGER'S REPORT: There was no discussion on this agenda item.

PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 1999-2000: Ms. Hellekson presented the CAFR to the Board and directed their attention to Page 7, the Summary of Revenues. She reviewed each of the revenue items, which resulted in a 6.9 percent increase over the prior year.

On page 8, the Summary of Expenses, Ms. Hellekson explained that the operating expenses (not including depreciation) totaled \$21.5 million, a 7.0 percent increase from the prior year. Expenses including depreciation increased by 7.4 percent. Ms. Hellekson explained that the expenses were artificially low in some areas, primarily because the Planning and Development staff costs were being capitalized into the BRT grant during the duration of the BRT project, but those costs eventually would be brought back into LTD's budget.

Ms. Hellekson noted that the revenue and expenses were nearly even, and staff would be looking at ways to improve productivity to ensure that expenses did not go over revenues.

Mr. Bennett said he would appreciate receiving summary comments from Ms. Hellekson, much like what she provided with the monthly financial report that would highlight the areas that she thought were important and would summarize the information contained in the various charts. Mr. Gaydos agreed. He said that the Strategic Plan work session in January would be a good time for Ms. Hellekson to provide more information about how LTD was doing and to ensure that the Board understood what factors were used to measure LTD's success. Ms. Hellekson said that she would prepare an executive summary of the CAFR.

MONTHLY FINANCIAL REPORT - OCTOBER FINANCIAL STATEMENTS: Ms. Hellekson said that fuel prices had remained high, well above the \$.83 per gallon that had been included in the Fiscal Year 2000-01 budget. However, staff were encouraged by a fairly significant dip in fuel prices that had occurred during the past 10 days. In addition, Ms. Hellekson noted that it was apparent that personnel services would not be on budget for the end of the Fiscal Year. This was due to prospective costs that had been incorporated in the new ATU contract. Ms. Hellekson would provide more detailed information during the December Board meeting, as more information would be available by then.

FIRST-QUARTER RIDERSHIP REPORT: Service Planning and Marketing Manager Andy Vobora reported that ridership had shown solid growth in each of the three months of the first quarter and had increased by eight percent for the year-to-date. Staff believed that this was due to increased fuel prices, the lowered youth fare and youth promotions, and the Sacred Heart Shuttle. In addition, Mr. Vobora reported that 2,200 LCC term passes had been sold for the fall term, and trips serving LCC and UO were experiencing overloads.

Mr. Kleger asked if the District had any figures on the day pass use since the introduction of day passes being issued instead of transfers. Mr. Vobora said that customer response and bus operator response to the day pass had been good. A special count had indicated that nearly 2,300 day passes were issued on the weekday sampled. This number was consistent with origin and destination information relating to the number of customers paying cash or token fares. Mr. Kleger observed that customer response to the day pass had been good, with the exception of the occasional rider. Mr. Kleger also observed that this was the first year in about five years, that he had not had to join with a bus operator to persuade young people to curb their language. He was not sure who should get the credit for this, but it was a relief to see the better behaviors of riders on the buses.

Mr. Bennett said that the year-to-date ridership figures were fairly positive, and he asked how that related to farebox recovery. Ms. Hellekson said that it was not unusual to have a growth in ridership and still see farebox revenues decrease, typically due to the upsurge of riders being group pass holders or other pre-paid fare holders.

Mr. Vobora noted that staff were including a special Services category in the performance report to capture such things as UO football ridership.

BUS RAPID TRANSIT UPDATE: There was nothing to add to previous information that had been provided.

BOARD CORRESPONDENCE: Board correspondence included a letter regarding LCC service from Charlotte Behm to Board President Hillary Wylie. Ms. Wylie's response also was included in the packet.

BOARD ACTIVITY CALENDARS: Calendars were included in the packet to highlight Board activities for the next several months.

MONTHLY STAFF REPORT: Mr. Hamm highlighted the safety report contained in the Transit Operations report. September and October were exceptionally safe months, which had an impact on the bottom line in terms of savings.

ADJOURNMENT: There being no further discussions, Mr. Bennett adjourned the meeting at 8:21 p.m.

