

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, February 20, 2002

Pursuant to notice given to *The Register-Guard* for publication on February 14, 2002, 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, February 20, 2002, beginning at 5:30 p.m., in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: Gerry Gaydos, Vice President
Patricia Hocken
Dave Kleger, Treasurer
Virginia Lauritsen, Secretary
Robert Melnick
Hillary Wylie, President, presiding
Ken Hamm, General Manager
Jo Sullivan, Recording Secretary

Absent: (one vacant position)

CALL TO ORDER: The meeting was called to order at 5:30 p.m. by Board President Hillary Wylie. Mr. Gaydos was not yet present. There were no announcements or additions to the agenda.

EMPLOYEE OF THE MONTH: Transit Operations Manager Mark Johnson said that it was his pleasure to introduce two very deserving Employees of the Month from his department. He first introduced the February Employee of the Month, Bus Operator and Trainer Jackie Cessna. She had been working at LTD for almost 10 years and was nominated by a guest who was very impressed with the way Ms. Cessna dealt with other guests. Mr. Johnson described Ms. Cessna as a hard worker on whom the department could really depend, and said that she was very much appreciated. Ms. Wylie presented Ms. Cessna with her awards, and Ms. Cessna thanked the Board for the honor.

Mr. Gaydos arrived at 5:40 p.m.

Mr. Johnson also introduced the March Employee of the Month, Bus Operator Deborah Distabile. He said that she was smiling because she always smiled and always approached life with a positive approach. She had been an operator for almost eight years, and was a safe and friendly driver who did a great job for the District. Ms. Wylie presented Ms. Distabile with her awards, and added that she was very proud of LTD's operators because they did a wonderful job, and it gave her a lot of pleasure to give both Ms. Cessna and Ms. Distabile an opportunity to be honored. Ms. Distabile said that it was nice to get up in the morning and look forward to going to work, and that not so many people could say that. She said that when she saw someone at a bus stop with a frown, she would smile at them and they would automatically break into a smile, and that it meant a lot to her to share that with people.

Mr. Hamm commented that in a people business, attitude was what made people successful, and that these two operators had the most positive attitudes and were exemplary in their performance behind the wheel. He thought that what separated LTD from a lot of systems was that LTD had a lot of great people with positive attitudes like these two operators. He congratulated them both and thanked them for a great job.

Federal Priorities: Government Relations Manager Linda Lynch previously had distributed the *Federal Priorities, Lane County Oregon (February 2002)* book prepared by LTD on behalf of the local "United Front" group of local governments. She explained that LTD participated in the coalition of local governments to share and support each others' priorities before the area's Congressional delegation in Washington, D.C., in March. She said she had organized the book by Congressional audience, so that it was organized by issue (such as transportation) as a regional list of priorities, rather than by separate government entities. There still was ownership by the individual jurisdictions, but she thought they did a good job of supporting each others' priorities. Among the projects, she said, there were a lot that went on from year to year, so when choosing a big project like bus rapid transit (BRT), that meant choosing a path with federal appropriations for years to come. Most of what was in the book, such as Springfield Station, more buses, I-5/Beltline, computer replacements for the law enforcement data system, a drug abuse prevention grant, new armory monies, the Springfield mill race, and the West Eugene Environmental Education Center, all were projects that had been on the list before. Some had evolved, such as the train station project and bus rapid transit, in the sense that they were more concrete projects than originally described.

For LTD, the book contained essentially three requests: (1) \$2.8 million to complete the federal share for the construction of Springfield Station; (2) \$4 million, probably over two years, for the intelligent transportation system (ITS) vehicle components for BRT; and (3) \$3 million to expand the maintenance facility to accommodate articulated buses and BRT vehicles and, if there was money left over, for use toward the vehicle purchase. The total of \$9.8 million was a lot of money. She thought that LTD's chances for success were good for the Springfield Station portion, and that remained the District's highest priority, so any money received, up to \$2.8 million, would go toward that project.

Ms. Lynch talked about the issues that contributed to whether the current time was a good time for appropriations or not. President Bush's budget did recommend the minimum guaranteed by TEA-21, so that would mean that the District's formula funds would not be reduced. The project, or discretionary, side was highly competitive for transportation earmarks, including highway and transit projects. She said that the appropriators were under some pressure to quit earmarking programs, but she did not believe that Congress would give the discretionary money to the departments (such as the Federal Transit Administration) for distribution. Next year would be the year for reauthorization of TEA-21 (the working title was "TEA-Plus"). LTD's work for the next year would be to work on reauthorization with the new members of the Oregon U.S. Senators' staffs.

Ms. Wylie noted that she, Ms. Hocken, and Mr. Hamm would be going to Washington, D.C., with Ms. Lynch, on the United Front trip to meet with the Oregon delegation. Ms. Lynch noted that the cover letter of the current United Front book reviewed what the coalition had achieved, collectively, since the previous year, and that the effort really did pay dividends to the community.

ITEMS FOR INFORMATION AT THIS MEETING:

Board Member Reports: **Metropolitan Policy Committee (MPC):** Mr. Gaydos reported that there were no transportation issues on the agenda for the February MPC meeting, so the LTD Board members did not attend. **Bus Rapid Transit Steering Committee:** Ms. Hocken reported that an in-depth report on BRT vehicle options was held at the last Steering Committee meeting. **Board Finance Committee:** Ms. Hocken noted that at the last couple of meetings the committee reviewed the Long-Range Financial Plan (LRFP), the capital projects list, and the fare increases. They primarily had reviewed drafts from staff before those items went to the full Board. **Springfield Station Design Review Committee (DRC):** Mr. Melnick said that he had attended the introductory meeting of this committee, where they spoke with the architects and reviewed some beginning ideas about everyone's aspirations about what the station might be.

General Manager's Report: Mr. Hamm said that the Eugene City Council would be meeting on February 25 and making a decision on the next Eugene BRT corridor. The Planning Commission had recommended the Coburg Road corridor. Ms. Hocken added that she would be there representing the Board and would have some prepared remarks. She said that since the Board had not taken a formal position on Coburg Road over Highway 99, she wanted to check with the other Board members to be sure they were supportive of the Coburg Road corridor. Ms. Lauritsen said that this was accurate for Springfield. Mr. Kleger said that he represented the other side of town with the other option (Highway 99). He planned to share the information going to the Eugene City Council with his neighborhood group. He said it appeared that Coburg Road was the place where BRT would get the most results for the money at that time. His personal preference would have been West 11th, but that essentially was off the table. One advantage to Coburg Road was that it had a link to Pioneer Parkway in Springfield, and that it was entirely a city thoroughfare, rather than county or state. He said he supported the Coburg Road corridor, and he was prepared to tell his neighbors that. He thought that some would be unhappy about that, but some would be relieved that they would not have that kind of disruption to their businesses so soon after the rebuild of Highway 99.

Ms. Wylie said she thought it was important to remember that LTD had bus service on those routes, and that Coburg Road would provide a wonderful link between Gateway and the City of Eugene.

Mr. Melnick said he had met with Eugene City Councilor David Kelly, who thought that the link to Gateway was critical in creating a much more dynamic system.

Ms. Wylie asked if there was a consensus among the Board members for the Coburg Road corridor. The Board members agreed that there was. Mr. Hamm noted that this would not be the final choice of corridors, since the plan was to build them all eventually. In continuing his report, he said that LTD's "white paper" for the national BRT consortium and the federal audience defined bus rapid transit and identified funding and other issues. He would be in Phoenix the next Friday with the rest of the American Public Transportation Association (APTA) Reauthorization Committee, to develop a recommendation for APTA in March. Staff believed that, seeing the language that had come forward, BRT would be a consideration in "New Starts," and the proposal to be introduced on Friday would follow up on some things that LTD had been working on. Mr. Hamm said it would be a benefit to LTD to be authorized as a project within the reauthorization bill, so staff were working on that with the local area's representatives and also with some of the committees.

Last, Mr. Hamm said that he had attended a meeting that day with the Southern Willamette Research Corridor, at which Oregon Transportation Commission member Randy Pape and Tom Schwetz of LCOG had made presentations. Some of the issues discussed were the 2050 plan, the economy, the environment, education, and transportation. He said that staff would stay active in this group and he would keep the Board informed.

Monthly Financial Report: Finance Manager Diane Hellekson reported that payroll tax receipts were down 2 percent from last year in February, but the timing of Oregon Department of Revenue (ODOR) reimbursements could vary widely. She said that staff were working to take many of the future staff reductions from planned service reductions through attrition. In the short term, that would increase overtime expenses. Ms. Hocken said that the Board Finance Committee was told that the District had to go to press with route revisions in May. That also would be the time when LTD would know more than about the final quarter's payroll tax receipts. She asked if there would be any point in tinkering with the decisions that the Board would make about the route review in March, if the information in May was radically different than what was being projected. Ms. Hellekson said there would not be, because the District had a two-year, \$2.5 million turnaround plan. The first year called for \$1 million in service reductions, and then, depending on the economy, the District could review whether the future reductions could be reduced or eliminated in the second year.

Springfield Station Update: Assistant General Manager Mark Pangborn reported that the Springfield Station Design Review Committee would be meeting to discuss three possible layouts for the site. The Committee input would be brought back to the Board at the March meeting. LTD's task would be to find the money to pay for the Station, or decide on another plan.

BRT Corridor Planning: Development Services Manager Stefano Viggiano said that the Eugene City Council was scheduled to make a decision on the next Eugene corridor on February 25. That recommendation would come back to the Board in March for a final decision. In Springfield, the Pioneer Parkway corridor had been divided into three segments. Staff had begun working on the southern segment first, which was from downtown Springfield north to Harlow Road. The public process had begun, and the first workshop for stakeholders along the corridor was scheduled for the following evening. Staff hoped to begin work on the other two segments in the next couple of months. Mr. Gaydos had participated in a meeting with Peace Health staff about integrating the BRT project with Peace Health's new development, and staff had then met with some of Peace Health's consultants. They were receptive to the idea of having the BRT line go through their development.

BRT Phase 1 Design Schedule: Mr. Pangborn called the Board's attention to the BRT Phase 1 design schedule on page 67 of the agenda packet. He said that staff had met with Eugene City staff about their section and such issues as lane widths and historic trees, and that it was a positive meeting and discussion. He added that work could begin on traffic lights the next summer, and staff soon would be talking about property acquisition with Sacred Heart and the University of Oregon.

Ms. Hocken said that Eugene City Councilor Nancy Nathanson was interested in undergrounding of the utilities. Mr. Pangborn said that LTD was trying to hook up all its stations by fiber-optic cable, and that those utilities would be underground when possible. When LTD was not digging up the road for conduit, the existing rights-of-way, which were above ground,

probably would have to be used. The north side of Franklin Boulevard had quite a bit of aboveground, high-power utilities. That had been suggested as a good way to go in terms of improvements. He said that Mr. Hamm and Mr. Viggiano met with Eugene Water and Electric Board (WEB) staff and learned that undergrounding the utilities probably would cost LTD \$1 million. Ms. Hocken said she thought that WEB had an ongoing program of putting utilities underground and had asked the Council for guidance on where it thought the priorities for this were. She suggested working with the Council to make Franklin a priority for undergrounding. Mr. Pangborn stated that LTD clearly had no money for this purpose, and BRT would not have an impact on the north side of Franklin Blvd where the utilities were. He agreed that this would be a good dialog to have with the Council, and said that staff would be talking with the Springfield Utility Board, as well, about undergrounding utilities in Glenwood and Springfield. Ms. Hocken thought that the Council's interest in making the BRT corridor an entrance to the city might make the case for working on this issue even if LTD was not disrupting the street.

Trainer Pass Program: Andy Vobora said that the information item in the agenda packet provided background on the trainer pass program and was intended as a "heads-up" for the Board that staff would be talking to people in the community and possibly making changes to this program. The bottom line was whether or not LTD still needed that program and, if so, whether it should be continued in the same way in terms of offering passes to the trainers.

Break: Ms. Wylie encouraged the Board members to review the rest of the packet if they had not already done so. She called a short break at 5:28 p.m. and called the meeting back to order at 5:35 p.m.

AUDIENCE PARTICIPATION: Ms. Wylie noted that there would be three public hearings on specific issues that evening. During each public hearing, each speaker would be limited to three minutes. She then asked for audience comments on issues of a general nature.

Bill Northrup of Eugene had to leave early and wanted to comment on overall bus service. He was concerned that people chose places to live based on bus service and then LTD changed the routes. He commented about the breadth of service provided, saying that infrequent service but during a wide space of the day helped people get to work early and late. He also wondered if there was a way to write a trial route into the schedule or designate it somehow so people who moved here would know that the route was just being tried out so they might not choose to live there. He said it was hard to plan if LTD chopped off the morning or evening or the whole route, so if LTD could keep the breadth of service, and convey to the public what the District's commitment to that service was, that would be very helpful to people.

Board President and General Manager Comments: Ms. Wylie closed the audience participation and noted that the Board members were just there to listen to public testimony that evening. There would be an opportunity for an additional hearing and to have staff work to review the comments, so the Board would not be trying to find the answers to the public's requests that evening. She said that the Board appreciated the involvement and the needs of the people who came to speak, that LTD tried very hard to meet the service needs of the people, and that the current situation was very difficult for the Board. She explained that during the current recession, the District had lost a lot over a million dollars in revenue, and that LTD needed to adjust the budget in order to continue to provide services.

Mr. Hamm added that service changes were not the first place LTD went to try to correct the budget discrepancies. LTD relied 75 percent on the payroll tax, so when employers were reducing their workforces, that had a negative impact on the District's revenues. Mr. Hamm explained that about a year ago staff had made a significant effort to cut approximately \$100,000 out of the materials and services budget. As the economy continued to drop, 13 administrative positions were cut from the budget, but not operators or mechanics, because the District was trying not to harm the service on the street. Then employees were asked to help find ways to reduce discretionary and incentive programs to almost nothing. Staff also looked at capital projects and cut some projects and reprioritized others. The last place to look was at service cuts, and those were now necessary. He said that there was some confusion about capital projects, especially about proceeding with bus rapid transit and the Springfield Station when cutting service. He explained that the District was receiving federal funding specifically for those projects, and it could not be used for operating services. If LTD did not use this money, someone else in the nation would. He said that LTD had to find \$1 million to balance the budget in the current year, and it was in the news that the City, County, and others were in the same kind of situation.

FISCAL YEAR 2002-2003 ANNUAL ROUTE REVIEW: Staff Presentation: Mr. Vobora thanked the people who came to comment that evening and called the Board's attention to the additional summary of testimony handed out that evening. He said that staff considered all the testimony, e-mail messages, letters, and calls regarding service. He had just talked with a rider who liked the changes in the Bethel area that LTD had instituted in September after a two-year comprehensive service redesign process, and now LTD was having to cut and restructure the routes to meet current budget needs. He stated that there was no joy in having to make those kinds of choices, and staff were taking all input very seriously.

Mr. Vobora used a PowerPoint presentation to show recommended service changes. The reductions were being made in a two-step process, so in the first step (first year) staff looked at maintaining geographic coverage; maximizing frequencies on the corridors, especially peak frequency; and maximizing cost-effectiveness. In categories of service, staff considered span of service (breadth), meaning how early or late the service would run; days of service, or the days of the week service operated; geographic coverage; and frequency of service, or how often bus would run.

In considering span of service, staff reviewed a number of options. On weekdays, the first morning departure currently was at 6 a.m. and the last evening service was at 11:40 p.m. Staff did additional analysis on the last trips, surveying on two weeknights and Saturday night to find out why people were riding then and whether they had travel alternatives, such as a car or taking an earlier bus. The results of the survey would be available within the next week and staff would report to the Board at the March meeting. In considering days of service, staff looked at what would happen if an entire day's service were eliminated. Mr. Vobora said that eliminating Sunday service entirely would create other savings, such as in RideSource, supervision and dispatch, and possibly in maintenance. However, this would have the greatest negative impact of all the changes on LTD's guests, especially discretionary riders and service workers, and would not reach the reduction goals. Mr. Vobora also showed a map of routes that might remain if using a Sunday core route concept.

Mr. Vobora then discussed geographic coverage and recommended service changes. He said that none of the changes would completely eliminate service to any area, but some service

would be changed significantly. For example, there would be significant changes to routes 60 and 62 in the Ferry Street Bridge area, Bethel-area service would be redesigned, and route 42, which had begun operating in September to provide additional frequency on 8th Avenue, would be eliminated and the route 41 buses would be very full. He discussed the rest of the recommendations in some detail.

Breeze frequency was considered as well, but reducing weekday frequency to every 15 minutes did not seem to be a good idea because of the heavy ridership and the fact that the Breeze was a major connection from the University of Oregon (UO) to downtown Eugene. The Breeze also was starting to pick up a lot of ridership in the Country Club Road area. Staff were suggesting a change in weekend Breeze service, to every 30 minutes, because there was not the big commuting demand on weekends.

Mr. Vobora stated that the bulk of the changes would occur in frequency of service. Recommended changes included the deletion of some trips on some routes, a reduction in midday frequency on some routes, and all-day frequency on others. One significant change was recommended for route 11, the Thurston route, which currently ran every 10 minutes all day long. The proposal was to run that route every ten minutes through the a.m. peak period for school and work trips, and then to provide 15-minute service the rest of the day. He said this would add travel time to the route because the buses would be very full. Mr. Vobora discussed the changes that were being recommended for other routes, as well. The subtotal of the savings for these recommendations amounted to close to the \$1 million goal set for FY 2002-03.

Mr. Vobora then used a spreadsheet to discuss the effects of specific recommendations in the first tier, contingencies, and second tier. Some of the changes were being recommended for June, and the rest would be implemented with fall service. He explained that the estimated loss in efficiency was a ballpark figure, and some of the information needed for closer calculations would not be available until later.

Mr. Vobora then provided details about specific changes being recommended by staff for 13 additional routes, which were not recommended in the first tier because the ridership on those routes was significantly higher. These would result in more overloads on some of the routes, and would mean that some of the District's major destinations, such as the Gateway Mall, would have service only once an hour midday, which staff did not believe was adequate. This second tier was provided because, at the January meeting, the Board had asked staff to go beyond \$1 million in service reductions in order to give the Board options for discussion. Staff were hoping for public input on those options, because the Board could decide to make those reductions at that time, or they could be the starting point for the following year. There were approximately \$2.4 million in total cuts for the Board's consideration.

In describing the next steps, Mr. Vobora explained that staff would review the evening route segment analysis results and would continue to refine the recommendations that were discussed that evening. He said that staff had limited data to use, since the District no longer had automated passenger counting (APC) capability, but were proceeding with the best information available. An open house was scheduled for February 28, and staff would be considering all public input for the final recommendation to the Board in March. At a Board work session in March, staff and the Board could discuss a final proposal, which would then go before the Board for approval at the March 20 regular Board meeting.

Public Hearing on Service Recommendations: Ms. Wylie opened the public hearing for comments on service recommendations.

(1) Jacqueline King of Eugene said that she lived in the Parkview Terrace, by the Campbell Retirement Center. She was concerned about the elderly people there, and, specifically, that Route 1, which ran only once an hour, would be eliminated on Sundays, while the Breeze ran every 10 minutes. She had concerns about people with disabilities being able to get places they needed to go, and thought that LTD should be spending the money to be sure that this could happen.

(2) Fred Simmons of Springfield said that in 2000, a much-needed transfer occurred from operating reserves to capital reserves. He commented that all of the public agencies, including LTD, worked with the metro plan and on TransPlan a lot of years to try to reduce vehicle miles traveled (VMT) levels, and that the service cuts were going to impact a significant number of people and increase VMTs. He was concerned about the growth in service inefficiencies. He talked about the #11, because he was concerned about overcrowding, and said that LTD had an extremely difficult time meeting the needs of people who were dependent on transit for work and other trips. He also was concerned about increases in time to get from the west side to the east side, which further complicated connections to north/south service. He was happy that the Pioneer Parkway process was being evaluated, but concerned that what LTD saved would have unintended consequences for riders, because sometimes those were greater than the savings.

(3) Christopher Phillips of Eugene said he moved to Eugene a little over 10 years before and bought a house on a bus route, specifically so he could commute by bus instead of by car. Having seen in the past various proposals that would have deleted service entirely to where he lived, he wanted to thank the planning staff and he hoped the Board for, in this round, preserving the service that he had so that he could continue to ride the bus to work.

(4) George Simpson of Springfield said that most people really didn't care about LTD's problems. When looking at bus service alone, without knowing LTD's problems, if it helped them to get from point A to point B, they wanted the service. He was concerned that the people who went to work only rode early in the morning and in the late afternoon, and that most of the bus rider service was the intermediate service between commute times, including women and men with children; seniors; people with disabilities like him, in electric or manual wheelchairs; and all kinds of reasons, even shopping trips. Hourly service did not work as well for most people, and he thought that if LTD continued to reduce service but increase revenues, service would drop and would never come back to the same level. He was concerned that LTD would be cutting out riders who could not afford to make another transportation choice and were very dependent on bus service. In his opinion, cutting times, frequency, and raising rates was not the way to do it. He said he knew LTD had a budget but that it was used to not working on a profit margin. The point he wanted to make was that the people did not really care about LTD's problems. They cared about their ability to get on that bus.

(5) David Gaisado of Eugene said that around 200 Bethel-area people recently had met in a community meeting and two of their major concerns were asking LTD for a stop in front of WinCo, and urging LTD to go back to the way the 41 and the 40 used to run. Although a lot of people rode the 45 to WinCo, Albertson's, and other such places, a lot of people who rode the 45 were coming off the 41 and the 40 and just trying to get home to the Bethel neighborhoods

across the freeway. He understood that the biggest problem was that the 41 was not making it back on time, and suggested that the 43 continue running when the 41 and 40 would go all the way down to help alleviate some of the crowding on the bus and, in the long run, cut off the 45. He said that LTD had always been a great service and he would hate to see people in that area decide not to ride it because it was inconvenient. He was opposed to ending service at 9:30 p.m., which would cause more people to find alternate transportation, and LTD would find itself with a bigger deficit. He said the neighborhood would be bringing a petition to the March meeting, to ask the District to return to the old 40 and 41 service.

(6) Misha Seymour of Eugene was concerned that LTD held a meeting at 6:30 p.m. in Glenwood, especially since there were 200 people in Bethel who were concerned about this issue, and wondered why the meeting was not held downtown where there were a lot of people. He did not think that the current service was more efficient than in previous years, and thought that hourly service on some busy routes, especially the No. 25, would cause problems for riders. He said that the Breeze was okay but it had the people in shirts and ties, and this should not be a yuppie kind of system; it should be a system where everyone could get around. He agreed with the previous speaker that it was not the people's problem; it was LTD's problem, and they should take care of it and have service that was convenient for people.

(7) Tony Myers of Eugene said he was concerned about the service cutbacks. He said he had chosen to stay in Eugene because of LTD. He said he also lived in Parkview Terrace, a small community of senior citizens and people with disabilities, and the bus was their absolute, only transportation around town. His concern was that cutting back service was leaving them high and dry, without any other way to get around.

(8) Barbara Ure, who lived in the Thurston area of Springfield, said that she was an employee of Sacred Heart. She understood that the 8X was originally designed to help ease the parking situation in the University and hospital area. Ridership was averaging 15 to 25, and the majority of those riders would not switch over to using the No. 11 because, although LTD could get them to work in approximately the same amount of time, the No. 11 could not get them home as quickly, and there already were wall-to-wall people. She was concerned that if LTD cut out one-third of the service by dropping to 15 minutes, the buses would be even fuller, and there would not be room for the added riders. She thought that a lot of those riders would choose to take their cars, which would not help any of the situations downtown, was not community broad-minded, and was not ecologically sound, but was the feasible response to not having the quick, convenient transportation from their work area to home.

(9) Richard Minor of Springfield said he rode the early morning 8X bus and that the riders had been discussing the cancellation of this route. At the time he started riding, he figured it was saving him roughly \$6 or \$7 a day, between parking and gasoline. If the route were canceled, he would have to drive again, and parking in downtown Eugene was getting a lot more difficult. He said that the ridership on that particular route in the morning was increasing. When he started riding, there were 6 to 10 riders, and the last week there were upwards of 15 to 25 people. He was looking at figures on the spreadsheet, and he said that the reduction in this particular route was probably the smallest of any of the other routes, and the savings, also. He said he appreciated that every dollar counted, and said he would still ride the 8X if LTD doubled the fare.

(10) Jenny Carrick introduced herself as the community relations director for the American Red Cross, Lane County Chapter. She said that the previous week they had moved to their new building at 862 Bethel Drive and were a new part of the Bethel community. The Red Cross served approximately one in six Lane County residents, and one of the reasons they moved to that location was because they felt they could better serve the community from that location. She said that they believed there was an extreme need for bus transportation in the Bethel area, not only because of the Red Cross, but also because of the entire redevelopment of the Bethel area, and because it was one of the fastest-growing areas in the city. She was concerned that it also was one of the lowest-income areas and in dire need of bus service. The Red Cross was asking that the Board focus not only on cutbacks but also on growth and the needs for service in growing areas. She said that cutbacks could be short-term, while growth could be long-term, and asked that the Board consider that when looking at the changes they needed to make. The Red Cross was concerned that LTD's special projects might be serving only a small, select segment of the community rather than a growing, much larger area. Also, she said, when Red Cross had discussed with LTD staff about the Bethel area and the need for bus service, they had been told repeatedly that studies of the Bethel area indicated that there was no need for the service. She said they would like to see those figures and those studies, so they could understand the reasons for the decisions the Board was making. Last, she said, Red Cross hoped that LTD would be interested in participating in a coalition of Bethel-area community groups, to focus on how to increase and improve services, including public transportation, for the Bethel community. She thanked the Board for its concern.

(11) Jim Weston of Eugene said he was the director of facilities at Sacred Heart Medical Center. He said that the medical center was faced with a difficult parking shortfall, with access to about 2,000 parking spaces and probably short about 800 spaces. To provide access to get caregivers to the bedside and get patients to the medical center, they relied heavily on LTD to help with commuting challenges. He said that they were involved in the group pass program and also contracted with LTD for some shuttle service, to the tune of about \$275,000 per year. His concern was that reductions in frequency and times of service, particularly in the early morning and the evening, and to express routes like the 8X, were particularly detrimental to their program. Even with a \$5 per day parking fee, when people lost their bus availability they would park at the medical center and would displace patients or visitors, which caused untold distress to people coming to the medical center for care. He asked LTD to look seriously at the route reductions being considered and look toward maintaining those services for their people during the workweek, for shifts that changed throughout the day, with eight- ten-, and twelve-hour shifts, beginning at 6 a.m. After a twelve-hour shift, employees were looking for a convenient way home, and Sacred Heart would like to have them take the bus to do that.

There was no one else who wished to testify before the Board. Ms. Wylie closed the public hearing on service and asked for Board discussion or questions.

Board Discussion: Mr. Kleger asked, if the District moved on these service reductions and then found out in August that it didn't need to make that deep of a cut, how hard it would be to reinstate some of the service. Mr. Vobora replied that it would be difficult to do in August because of publication deadlines, and it would be best if the Board were pretty clear about the changes they wanted to make by the March meeting, since that would be the service package that the District would have to live with for awhile.

Ms. Wylie asked which routes would affect Parkview Terrace service. Mr. Vobora said that was the Sunday No. 1 route. He explained that some of the comments in the written testimony were the result of the previous CSR cutbacks that were mentioned earlier that evening.

People were asking if LTD could just swing a bus over there, but he said that was a difficult pocket to serve because of the railroad tracks. He said that staff initially considered routing the Breeze into that neighborhood and using the 4th Avenue on-ramp to the Ferry Street Bridge. However, with no acceleration lane, it would be difficult for buses to move into that fast-moving traffic, so that was why the buses currently went back up to 7th Avenue. He said that when there was half-hour service to that area, the service did not meet the productivity standards, so it was cut back to hourly as more of a lifeline service.

Ms. Wylie then asked about the studies mentioned by Ms. Carrick. Mr. Vobora said he would talk more to the people who called to learn more about their conversations with staff. He thought that staff's comments about Bethel Drive, in particular, were about the condition of the street to handle bus traffic on a daily basis, and the current density of the area. Development would generate more trips, so then it would be high on the list as the District began adding services to newer areas. He said that the District currently was in a cutback mode, but had a list of requests for more service in many areas. Those were the areas staff would like to address as the community came out of the recession and began planning for the future. He said that any direction from the Board, on span, frequency, etc., would be very welcome.

Ms. Hocken said that one good thing about the 8X was that it probably attracted riders who otherwise might not ride the bus. She said that Mr. Minor had pointed out that it was a fairly minimal cost savings to cut this service, so she thought staff might want to think about that, especially if the ridership really was growing. She also mentioned the issue of Pearl Buck and the fact that LTD no longer ran on Bertelson, so workers had to go to 11th Avenue, which people had testified about previously. She said that this was tied in to how LTD served the Bethel-Danebo area. As she looked at that route, LTD was going two ways on Danebo, but maybe buses could go one way on Bertelson and one way on Danebo instead. She said she did not know what all the issues were, but suggested that staff could look at that. She also hoped, since there seemed to be a lot of interest in the Bethel area, with a community coalition being formed, that LTD would figure out the most efficient way to interact with the people who lived in that area, such as a community group that LTD could bounce ideas off. Mr. Vobora said that LTD did have regular service up and down Bertelson and did not find that it was particularly well used. There still was direct, commuter-oriented service to Pearl Buck, and there might be an opportunity to expand that service. Staff did not want to create a lot of route deviations that detracted from the attractiveness of the regular service. He said this was similar to the Parkview Terrace/Campbell area, where the majority of people would not want to add travel time to deviate through a neighborhood. If there were significant ridership, it would make more sense to do that on a regular basis.

Ms. Hocken noted that street conditions and lack of sidewalks were not LTD's responsibility, but she wondered if the District could work with the City to target some areas to make it easier for them to ride the bus. Mr. Vobora stated that every bus rider also was a pedestrian, so those amenities were very important. Usually a new development had to include some of those amenities. Ms. Hocken said that City had been enforcing the urban sidewalk standards in targeted areas, and she was not sure what their plans were.

Mr. Melnick reinforced the idea of being sure that staff were looking at the unintended consequences of any service changes.

FISCAL YEAR 2002-03 PRICING PLAN: Staff Presentation: Mr. Vobora noted that staff had discussed this recommendation several times with the Finance Committee and the Board, and explained that it primarily affected bus passes and tokens, as well as a 6 percent increase in group pass prices for the 2003 calendar year. It was an aggressive increase of about 25 percent in pass prices and about 18 percent in token prices. The Lane Community College (LCC) term pass price was being negotiated and would be a separate Board action during the spring. Mr. Vobora explained that LCC was concerned that if passes sold out during spring term, there would be none left for summer term. LTD staff had suggested that LCC lower the subsidy per pass, so students would be paying more during spring term than they did the first two terms. Also suggested for change were RideSource regular, Escort, and 10-ticket prices, as shown on page 13 of the agenda packet. The first reading of the fare ordinance would be scheduled for the March meeting.

Mr. Vobora said that staff probably also would suggest reducing the 10 percent discount to sales agencies. It was not part of the ordinance so could be done later. He explained that as pass prices increased, the sales outlets made more money on each pass sold. He said that staff first would talk with the outlets because they did not want to harm the distribution system.

Public Hearing on Fare Recommendation: Ms. Wylie opened the public hearing on fares for Fiscal Year 2002-03. (1) Fred Simmons of Springfield mentioned the elasticity economic theory concerning increases in price and the resulting reduction in the utilization of that service. He thought the District was reaching a point where if it implemented the service reductions and increased the cost, it would cost LTD more to run the service than it was recovering. He said he was supportive of the increase for budget balancing purposes, with the caveat that LTD needed to start looking at some sort of prepaid pass instrument, such as a long-term, annual pass, photo identification card. He said that fare instruments would have to change for BRT, so he asked the Board to remember while they were deliberating on increasing rates that the future was coming very rapidly. He was concerned that a \$35 rate would cause transit-dependent people who lost service to start driving old cars and seek other alternatives, probably driven more by service than by cost. He thought that an annual card for \$60 or \$70 would be less costly than the revenue loss.

(2) George Simpson agreed that when revenue was lost, it was hard to replace. He had been in business for ten years in the community, and when he wanted to increase revenues, he increased services so that people would want to use his services. He compared Tri-Met's monthly pass cost of \$16 for seniors and people with disabilities with LTD's proposed \$17.50. He said that Tri-Met also used multiple zones, and in one zone the fare was \$1.25, and for all zones and about two hours, it was \$1.75. He thought LTD would have a difficult time bringing in revenue to support the service, and he believed there were more advertising opportunities to promote LTD and encourage ridership. He said that to a degree people understood that prices may have to increase, but he thought that jeopardizing service and increasing prices was a difficult problem in any business. He said that people of all kinds needed to use the bus, but they needed to have the service continuously and increasing to draw in people who did not normally ride the bus. He hoped that LTD realized that service was really still the name of the game.

(3) Misha Seymour said that it seemed ludicrous to cut service 7 percent and raise costs 20 percent. He thought that LTD should restore transfers because of people who were poor and traveled short distances, and that LTD should not increase the fares, because it was not fair.

(4) Tony Myers said he understood service cutbacks and price increases because of the economy of the whole nation being in trouble, but that senior citizens and people with disabilities had limited incomes. He said it was kind of hard to understand service cutbacks and price increases at the same time. He said it was not easy for them; the bus was their only transportation so they were going to have to pay, but they did not have the funds to cover this increase.

(5) Renee Griffin of Pleasant Hill said she moved to Eugene from Seattle about two and a half years before because she was a handicapped person, and because Eugene was so inviting to be part of the community where everyone worked together. She was concerned that LTD was talking about decreasing services and increasing costs. She said she could not afford to live in town, so she lived way out in Pleasant Hill, where they only had service three times a day. She was asking LTD not to cut service for the people who only had it a couple of times a day, unlike those who had service every 15 minutes.

Board Discussion: There was no other testimony, and Ms. Wylie closed the public hearing. Mr. Kleger commented that LTD was not planning on cutting any of the rural services. Ms. Hocken stated that cutting service was something that was not planned and it was sort of a surprise that the District would have to do so because of the financial situation. However, she said, LTD acted on the pricing plan each year, and cash fares were increased the previous year. The District essentially would be eliminating the deep discount in the fare instruments. For instance, buying a one-month pass currently would save almost half of the cash price. With the change, pass purchasers would still get a one-third discount from the cash fare. She said that LTD still was giving a good rate to people who bought a pass.

Mr. Melnick asked about other fare structures in place in the country that were different than LTD's in terms of the breakout, not the dollar amount. Mr. Vobora replied that some did not offer the day pass, some had transfers, and there were different instruments and different ways to discount them. He said that the previous month he had talked about some of the other peer groups. Some did not offer tokens but might have a ten-ride ticket book. He said that LTD was in the top two thirds of its peer group, in terms of the fare that is charged.

Ms. Wylie commented that LTD did have an aggressive policy and could not keep that up forever. Mr. Vobora said that the District possibly would go back to a more incremental system, but analysis showed that they had not yet reached the point in elasticity where it reached the limit. He said that it was hard when costs went up for everyone at the same time, but LTD had to look at raising revenues or cutting more service. He said it could be viewed that the pass price increase for adults was about 23 cents more a day versus not having service on the route.

Mr. Hamm said that Fred Simmons had mentioned other fare paying techniques, particularly automation. Mr. Hamm said that a number of staff had been researching fare payment technology and attending information- and technology-sharing sessions to look at what makes sense in the long term for LTD. At some point, he said, staff would be including that in the Capital Improvements Program (CIP) for approval, as well as looking at it as a strategy for



fares overall. Staff had not determined where that point was yet, but were watching it closely, as they did with all of the technology pieces.

MOTION **CONSENT CALENDAR:** Mr. Kleger moved that the Board adopt the following resolution: "LTD Resolution No. 2002-003: It is hereby resolved that the Consent Calendar for February 20, 2002, is approved as presented." The Consent Calendar consisted of the minutes of the January 16, 2002, regular Board meeting and the nomination of Elaine Guard to the LTD Budget Committee. Mr. Melnick seconded the motion, which then passed by a vote of 5 to 0, with Gaydos, Hocken, Kleger, Lauritsen, and Wylie voting in favor, no one opposed, and Mr. Melnick abstaining because he was absent from the last meeting and could not comment on the minutes.

VOTE

BUS RAPID TRANSIT CONTRACTING METHOD: Purchasing Administrator Jeanette Bailor handed out a replacement section to the Board packet that included minor changes on pages 25, 28, and 33 that were recommended by District counsel. She said that the Board had discussed the contract management/general contractor (CM/GC) method at a work session in February. Staff hoped to use this construction method on the BRT project. A CM/GC would be hired at about 30 percent design of a project, to allow input from the contractor during design of the project. Because LTD was embarking on a new type of construction on fixed guideways, and constructability was a key for successful performance, staff researched the best method of contracting. She explained that LTD was required by Oregon law to use low-bid contracting for construction. In order to use a different method other than looking at just the cost of the contract, LTD had to hold a public hearing and provide findings to show why it would be in the public's best interest to use another method. Then the Board, acting as the LTD Contract review Board, could approve the use of this process. She then listed the subsections, such as operational data, public benefit, specialized expertise, and technical complexity, of the draft findings that were found on page 28 of the agenda packet.

Public Hearing on Contracting Method: Ms. Wylie opened the public hearing on the proposal to allow the District to initiate a competitive request for proposals (RFP) for a CM/GC for the bus rapid transit project. (1) Fred Simmons asked if the original Phase 1 grant allowed an exception to the traditional low-bid process. Ms. Bailor replied that the Oregon statutes required LTD to hold the public hearing. The federal regulations and contracting provisions allowed LTD to use a request for proposals or alternative method. Mr. Simmons said he wanted to salute staff for taking an innovative approach to the process. He said that if LTD worked within the parameters of what was appropriate and integrated this type of planning with engineering, design, and construction and went to an optical system instead of curb feelers, then how that was done and utilized could be very intelligently served and economically balanced by this mode of construction. He thought that Jim Ball, who had worked on previous LTD construction projects, would be a tremendous asset to this project because of his depth of experience. He said he thought LTD would benefit from this if staff provided very stern oversight in the process, with a lot of specificity.

There was no further testimony, and Ms. Wylie closed the public hearing.

Board Deliberation and Decision: Ms. Lauritsen asked how staff developed the fact sheet. Ms. Bailor said that they had looked at the rules and elements of projects that were important to the District. Ms. Lauritsen then asked about Disadvantaged Business Enterprises (DBE). Ms. Bailor explained that with federal funding, a portion of the project would be allocated for DBE firms, and would want to make sure that LTD was not cutting out any segment of the

competition. Ms. Lauritsen asked if staff proceeded to tab all the methods using these criteria. Ms. Bailor replied that they did.

MOTION Mr. Kleger moved the following resolution: "LTD Resolution No. 2002-004: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Review Board, approves the use of a competitive Request for Proposal process for a construction manager/general contractor for the bus rapid transit project." Mr. Gaydos seconded the motion, which then passed by unanimous voice vote, with Gaydos, Hocken, Kleger, Lauritsen, Melnick, and Wylie voting in favor, and none opposed.

CAPITAL IMPROVEMENTS PROGRAM: Finance Manager Diane Hellekson said she did not have any remarks to add to the presentation that Mr. Pangborn had made the previous evening. She handed out replacement pages 37 and 38 for the agenda packet, to reflect the Board's input at the work session the previous evening regarding additional contingency funds for general right-of-way. Ms. Hellekson also handed out a summary of changes from when the CIP process began in the current year, showing which projects had been deferred or removed from the CIP, and said she also would prepare a summary of changes from year to year, as requested by the Board.

MOTION Mr. Melnick moved that the Board approve LTD Resolution No. 2002-005: "It is hereby resolved that the proposed Capital Improvements Program for fiscal years 2002-2003 through 2006-2007 be approved as presented." Mr. Gaydos seconded the motion, which then passed by unanimous voice vote, with Gaydos, Hocken, Kleger, Lauritsen, Melnick, and Wylie voting in favor, and none opposed. Ms. Hocken asked to clarify that LTD had cut \$10 million in projects during the last few months. Ms. Hellekson said that those had been cut or deferred from the first five years.

LONG-RANGE FINANCIAL PLAN: Ms. Hellekson stated that there were no revisions to the proposed Long-Range Financial Plan (LRFP) since the Board discussed it at the work session the previous evening. Staff would be preparing a strategic summary, as Mr. Gaydos had requested, that could be used in meetings with City Councilors and others, to summarize some of the long-term and big-picture strategic issues.

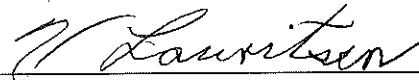
MOTION Mr. Kleger moved LTD Resolution No. 2002-006: "It is hereby resolved that the proposed Long-Range Financial Plan for fiscal years 2002-2003 through 2021-22022 is approved as presented." Mr. Gaydos seconded the motion. Ms. Hellekson clarified that the LRFP needed to go out 20 years for federal and state requirements. There was no further discussion, and the motion carried by unanimous voice vote, with Gaydos, Hocken, Kleger, Lauritsen, Melnick, and Wylie voting in favor, and none opposed.

CONSIDER DATE FOR MARCH WORK SESSION: Mr. Pangborn said that if the Board was interested in moving things around in the service proposal or wanted more time for discussion, staff would prefer holding a work session the week before the regular monthly meeting, so staff would have more time to respond to any changes requested by the Board. However, if the Board was relatively comfortable with the information it had already, the work session could be held on March 18 as scheduled. Ms. Hocken noted that the Board Finance Committee would be meeting during the early evening on March 12. Board members checked their schedules and agreed to meet in a work session on Monday, March 18. Ms. Wylie noted that the Board had raised a number of questions regarding service to Sacred Heart, Bethel, etc.

Mr. Vobora said that staff would have a lot more data from sampling within the next week. He said he would call each of them to see if they had additional direction for him, since the work session would be so close to the regular meeting at which the Board would need to approve a service package. Mr. Melnick asked if the March 18 meeting could focus on service reductions and the fare structure. Mr. Vobora said that the discussion on fares probably would be brief, so the majority of the time would be spent on service.

Mr. Pangborn also asked the Board members to consider dates in October for a two-day strategic planning work session. In the past, those work sessions had been held on a Friday and part of a Saturday. Some Board members had conflicts in October and asked staff to consider dates in November, instead.

ADJOURNMENT: There was no further discussion. Ms. Wylie adjourned the meeting at 8:45 p.m.



Board Secretary

M:\WPDATA\BOARD\MINUTES\BDMIN 2-20-02.doc

