

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, June 19, 2002

Pursuant to notice given to *The Register-Guard* for publication on June 13, 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, June 19, 2002, beginning at 5:30 p.m., in the LTD Board Room at 3500 E. 17<sup>th</sup> Avenue, Eugene.

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

Absent: Virginia Lauritsen, Secretary

**CALL TO ORDER:** The meeting was called to order at 5:35 p.m. by Board President Hillary Wylie. She noted that the Board had a long agenda that evening and asked the Board's assistance in keeping the meeting moving along, although that did not mean that they should limit discussion if more discussion was warranted.

**EXECUTIVE SESSION:** Mr. Kleger moved and Mr. Gaydos seconded that the Board meet in executive session pursuant to ORS 192.660(1)(i), to review and evaluate, pursuant to standards, criteria, and policy directives adopted by the governing body, the employment-related performance of the chief executive officer (general manager) of LTD. The motion carried by unanimous vote, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed. The executive session began at 5:37 p.m. with General Manager Ken Hamm.

**REGULAR SESSION:** The Board returned to regular session at 6:27 p.m. and took a brief recess until 6:35 p.m.

**EMPLOYEE OF THE MONTH:** The July Employee of the Month was unable to attend this meeting and would be introduced to the Board in July.

**AUDIENCE PARTICIPATION:** No one present wished to address the Board.

MOTION **CONSENT CALENDAR:** Mr. Kleger moved that the Board adopt LTD Resolution No. 2002-018: "It is hereby resolved that the Consent Calendar for June 19, 2002, is approved as presented." Ms. Hocken seconded, and then commented that she had asked for the dollar amount being approved in the automatic passenger counter (APC) system contract award to be written and available for the Board, since it had not been included in the agenda packet. That was in front of



VOTE the Board members. There was no further discussion, and the resolution passed by a vote of 5 to 0, with one abstention, with Ban, Gaydos, Hocken, Kleger, and Wylie voting in favor, none opposed, and Mr. Melnick abstaining because he had not been present for the APC presentation the previous Monday. The Consent Calendar consisted of the minutes of the May 15, 2002, regular Board meeting, the automatic passenger counter system contract award, and a Resolution Reaffirming District Boundaries.

**ADOPTION OF FISCAL YEAR 2002-2003 BUDGET:** Director of Finance Diane Hellekson handed out a corrected Resolution, noting that two numbers on the original had been transposed, although the total amount did not change. Because the Board members were well prepared on the budget issues, she had decided not to use the PowerPoint presentation she had prepared and to make only a brief presentation on the budget that had been approved by the LTD Budget Committee. She called attention to the information beginning on page 17 of the agenda packet. She noted that the major issues for LTD were that the payroll tax was flat and the personal services costs were increasing. The budget essentially controlled personnel services expenses in two ways: the elimination of 13 positions in November 2001, and the service cuts that would be effective in the summer and fall of 2002. She explained that one change had occurred that afternoon, which Ms. Wylie was aware of. The LTD/Amalgamated Transit Union (ATU) pension plan trustees had met that day, and the actuary had announced that due to poor investment earnings, there would need to be an increase in the ATU contribution. The administrative plan anticipated that and was calculated differently. The ATU plan contributions were based on an hourly rate, and because LTD front-loaded a very high rate at the beginning of the new contract, it had been mistakenly assumed that the rate would be valid for more than two years. There also was another modest change that affected employees transferring between plans. The bottom line was that the plan was \$100,000 short in terms of budgeting the contribution LTD would make the next year. There were two ways the Board could correct this. First, as part of the budget adopting resolution, the Board could direct staff to transfer \$100,000 from contingency to personnel services to effect this change. However, Ms. Hellekson did not recommend doing that. She said there were a number of uncertainties looming in the next year—some of them would be in LTD's favor and would be resolved in the next few months. Also, the appropriations before the Board were fully adequate to accommodate all of the contingencies. She thought the District could wait six months to see what happened with the budget during the next year, and then could make the transfer from materials & services instead of from contingency. She said it was her preference that LTD not touch contingency unless there were really good reasons, and usually for a one-time need, not for something that would be an ongoing expense.

**Public Hearing on Fiscal Year 2002-2003 Budget:** Ms. Wylie opened the public hearing on the proposed budget. There was no one present who wished to testify, and Ms. Wylie closed the public hearing.

**Board Discussion and Decision:** Mr. Melnick commented that compared with his one other experience with the LTD budget process the previous year, this one was a clear, fresh budget process. Even though there was only a brief presentation that evening, months of work and preparation had made the Board's job easy. Ms. Wylie asked if everyone felt comfortable with his or her knowledge of the budget. Mr. Kleger said that it had been an excellent budget process and thanked Ms. Hellekson for continued improvement.

MOTION Ms. Hocken moved approval of Resolution No. 2002-021 adopting the LTD Fiscal Year 2002-2003 budget and appropriating \$82,252,370 as represented in the Resolution. Mr. Melnick



VOTE seconded, and the Resolution adopting the budget passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**FY 2002 SECTION 5309 FEDERAL GRANT APPLICATION:** Senior Strategic Planner Lisa Gardner introduced this item, explaining that Section 5309 funds were congressional appropriations funds. This appropriation was for \$2 million already appropriated for the Springfield Station, and LTD would be asking for an additional \$2.8 million to be appropriated later in the year.

**Public Hearing on FY 2002 Section 5309 Federal Grant Application:** Ms. Wylie opened the public hearing. No one wished to testify, and Ms. Wylie closed the public hearing.

MOTION **Board Discussion and Decision:** Mr. Kleger said that this grant was an absolute necessity in order to build the station. He moved approval of LTD Resolution No. 202-022: "It is hereby resolved that the LTD Board of Directors approves the proposed FY 2002 Section 5309 federal grant application for \$1,980,058 in federal funds for the construction of the Springfield Station and authorizes the general manager to submit this application to the Federal Transit Administration for approval." Ms. Ban seconded, and the resolution carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

VOTE

**FY 2002 SPECIAL GRANT FOR EMERGENCY PREPAREDNESS DRILLS FUNDING:** Ms. Gardner explained that this was a one-time grant from the Federal Transit Administration (FTA) so that transit systems could prepare emergency preparedness plans for operations. It was not capital funding, and was a grant of \$50,000, with no match required.

Ms. Hocken asked if LTD would be doing the activities covered by this grant if the grant were not available, and if the \$50,000 would cover what LTD needed to do. Director of Transportation Mark Johnson replied that the funding should be adequate, and that LTD had begun working on its emergency preparedness issues previously, especially after the windstorm that winter and FTA's "pushing" of emergency preparedness after September 11. Ms. Gardner added that some of the procedures already were in place and had been put into use previously, such as in moving people after the shooting at Thurston High School.

**Public Hearing on Special Grant for Emergency Preparedness Drills Funding:** Ms. Wylie opened the public hearing. No one testified, and she closed the public hearing.

MOTION **Board Discussion and Decision:** Mr. Gaydos moved LTD Resolution No. 2002-023: "It is hereby resolved that the LTD Board of Directors approves the proposed FY 2002 Special Grant for Emergency Preparedness Drills Funding for \$50,000 and authorizes the general manager to submit this application to the Federal Transit Administration." Mr. Kleger seconded, and the resolution passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

VOTE

**REGION 2050: SUSTAINING QUALITY OF LIFE IN THE SOUTHERN WILLAMETTE VALLEY:** Ms. Gardner called attention to the background material included in the agenda packet. LTD was being included as part of the regional policy advisory committee and would have a Board member on the committee. Ms. Wylie appointed Ms. Ban to the 2050 Committee. Ms. Hocken commented that LTD needed to participate and having a place on the committee was appropriate.



**SELECTION OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) FOR BRT PHASE 1:** Facilities Services Manager Charlie Simmons called attention to the agenda item summary on page 39 of the agenda packet and said that selection of a CM/GC was an exciting milestone for the project. He described the Request for Proposals (RFP) process and the selection committee, comprised of three LTD staff, Robert Melnick as a Board representative, and City of Eugene and Springfield staff. The committee agreed on two excellent finalists, and chose Wildish Building Company to recommend to the Board for a number of reasons, including the fact that Wildish had worked with LTD on the Eugene Station and had built a good team and provided excellent service. Mr. Simmons said that BRT was innovative as a transportation project, but each piece when dissected was not anything new; rather, it involved curbs and gutters, utilities in the right-of-way, etc. Wildish had a history of working with these issues in the BRT corridor, and this had become the tiebreaker between two excellent companies.

Mr. Melnick said that his own concern had been about new technology in signal priority, but since there was only one subcontractor doing that work, that subcontractor would be working on the project no matter which contractor LTD selected. He thought this would be a real test case for LTD, and that it could make or break the rest of the BRT system. That was stressed to the candidates, and that this was not just a matter of getting the job done, but that they needed to do it with a smile on their faces, because everyone, including the flaggers, would be representing LTD as well as Wildish in a major, disruptive project. From what Wildish said, it seemed to Mr. Melnick and the rest of the committee that Wildish would be very committed to this. Mr. Melnick added that he thought staff had done an excellent job in this process.

## MOTION

Mr. Melnick moved LTD Resolution No. 2002-024: "The LTD Board of Directors hereby gives approval for staff to proceed with the award of the contract for Construction Management and General Contractor services for Phase 1 BRT and authorizes the general manager to sign a contract with Wildish Building Company of Eugene, Oregon." Ms. Ban seconded, and said she was pleased that the CM/GC would be a local firm. Ms. Hocken asked if LTD would be using an owner's representative, as it had when constructing the Eugene Station. Mr. Simmons said that he would be managing part of that project, and staff were not sure yet if they would hire a consultant or an employee to perform this function. Mr. Melnick said he also was glad that LTD was using a local contractor, but wanted to stress that this occurred only because the committee was convinced that this contractor would do an excellent job. Mr. Simmons agreed and stressed that the decision was based on the qualifications of the firm.

## VOTE

There was no further discussion, and the motion carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**GROUP PASS PRICING ADJUSTMENT:** Service Planning and Marketing Manager Andy Vobora called the Board's attention to the information on page 42 of the agenda packet. He stated that the Board had discussed an adjustment at the April 2002 meeting, and the Board Finance Committee had discussed it in May. The Finance Committee recommended new language in the Pricing section of the Group Pass Program document, to say: "The base rate will be increased annually, **not to exceed** by the three-year rolling average of operating costs realized by the District." The committee thought that this would give the Board more flexibility in establishing rates.

Mr. Melnick asked about the difference between taxpayers and non-taxpayers. Mr. Vobora explained that this referred to employers who were or were not payroll taxpayers in the District.





Ms. Wylie suggested that at a future meeting Mr. Vobora show LTD's boundaries and where the employers were in the District, as had been done a few years before.

MOTION Ms. Hocken moved LTD Resolution No. 2002-013: "It is hereby resolved that the LTD Board of Directors approves a 6 percent increase in the Group Pass pricing structure effective January 1, 2003." Mr. Kleger seconded the motion. The motion then carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

MOTION Ms. Hocken then wondered about the need to change the language in the Group Pass Policy in addition to setting the rate for the next year. She moved that the Board change the Group Pass Program policy to make the change indicated on page 44 of the agenda packet to add the words "not to exceed" to item 1 on that page. Mr. Melnick seconded, and the motion carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**2002-03 LANE COMMUNITY COLLEGE TERM PASS:** Mr. Vobora referred to the agenda item summary on page 45 of the agenda packet. He briefly explained the history of the term pass at Lane Community College (LCC) and the subsidy provided by the school administration to lower the cost to students. LTD staff were recommending a rate of \$54 for each term pass, an increase from \$43, which was on par with other pass pricing increases. Mr. Vobora said that staff had just learned that the LCC Board had decided not to implement a parking fee program that year, so would not have that revenue to apply to the term pass subsidy. This meant that LTD would have \$150,000 from the college to subsidize the passes the next year. There also was pressure on LCC to keep the student price at \$33. Staff felt strongly that LTD should keep the price at \$54 and if a limited quantity of the subsidized passes sold out, LCC would hear from the students and maybe at that time would be able to make some additional money available for this program. LTD could help meet the demand by offering additional passes to the students at the \$54 rate if the 2,500 passes available for that term were sold out. If the students were asked to pay just a little more for the passes, more passes could be made available during the year. He thought this was LCC's decision to make in discussion with their student leaders.

Mr. Kleger thought that since the price of a regular three-month pass was \$85, the students still would be receiving quite a savings. Ms. Hocken thought that LTD should make this 25 percent increase to \$54 because other passes had been increased 25 percent. Mr. Kleger agreed.

Mr. Melnick asked about the difference between the LCC and University of Oregon (UO) programs and if there was any way to compare them. Mr. Vobora stated that if all the available LCC passes were sold at \$54, it would generate \$385,000 for LTD. During the current year, selling all available passes at \$43 would generate \$411,000 in revenue for the District. At a \$37 student rate with a \$17 subsidy and all passes were sold, that would generate \$476,000 in revenue for LTD, which was more than the UO program. The total amount depended on the subsidy amount, how many passes were made available to the students, and how many passes actually were sold. Ms. Hocken noted that the UO program was much different, with a lower cost per student, but all students paid the fee, whether they rode the bus or not. At LCC, only the students who were riding the bus were paying. She thought they were very difficult to compare.

MOTION Mr. Melnick moved approval of LTD Resolution No. 2002-025: "It is hereby resolved that the Lane Community College Term Bus Pass be priced at \$54 for the 2002-03 school year.



**VOTE** Ms. Hocken seconded, and the motion carried by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**BRT NAMING:** Mr. Hamm introduced David Funk of Funk/Levis, who with Kathy Wiltz of Cappelli Miles Wiltz Kelly (CMWK) had taken a wide range of LTD staff and Gerry Gaydos as the Board's representative through a naming process for BRT. A presentation had been made to the Board on Monday evening, but since only four Board members were present, they asked to have this issue brought back to the Board when more members were present.

Mr. Funk said that he had been hired by LTD's ad agency, CMWK, for this process. He stated that the biggest challenge was to find a name that would be strong enough to build a brand on in future years. The Board was being asked to give its blessing to a name that was not quite in context at that point. He explained the process that the Naming Committee had gone through, and defined the specific and general criteria used to select a recommended name. After a quick review of hundreds of suggestions, the Committee narrowed the list to four possible names, which the consultants then looked at carefully using specific criteria and took back to the Committee for further consideration. The group applied all criteria one at a time to each name and came to an almost unanimous decision to recommend the letter "Q" as the name for the BRT system. Mr. Funk unveiled the recommended name with several possible individual route names (Green Q, Red Q, etc.), which were seen as very easy to use and remember. He handed out a sheet listing the rationale for "Q," which included familiarity, ease of pronunciation, non-corruptible, positive connotation, associative ("Q" could stand for Quick, Quality, Quiet, uniQue, etc.), and memorable. Specific criteria applied to "Q" were timeless (unique and futuristic sounding), catchy (hip, fun, sophisticated, European), unique in the industry, short, and fun (easy to say and remember; lighthearted without being funny).

Mr. Funk said that the Naming Committee was hoping that the Board would give its blessing to move forward to the next step, and to find the best way to introduce the name to the public to get them excited. The consultants would begin developing a logo and the details of the application, such as color, usage on vehicles, etc. Mr. Viggiano added that another element in the next step was a more thorough legal review to make sure LTD was not infringing on anyone's copyright.

Mr. Melnick asked how many BRT routes there would be at full build-out. Mr. Viggiano replied that the TransPlan showed five routes.

Mr. Gaydos said he thought the process was a good one; BRT staff were involved, and people worked hard and created 345 potential names. He was eager to see the name as a logo, and encouraged the Board to accept this name.

Ms. Hocken was concerned that no one outside LTD was involved in the process. She also wondered about people drawing faces on the "Q," to which Mr. Funk replied that every name would be corruptible if people drew on it.

Mr. Kleger said he liked the extreme simplicity of the name. He thought that it would be fairly complicated to corrupt this name.

**MOTION** Mr. Kleger moved approval of LTD Resolution No 2002-017: "Resolved, that the LTD Board of Directors approves "Q" for the BRT system as recommended by the BRT Naming Committee, subject to copyright review." Mr. Gaydos seconded.



Mr. Melnick said he worried that "Q" had no inherent meaning, but other than that, he really liked it. Ms. Wylie noted that a lot of things had to happen yet to create this as the official name, and said she was impressed with the process. Ms. Hocken said that she was, too, except for the fact that no one outside LTD was involved. She said she would feel better if the BRT Steering Committee looked at this name, and added that she would like a few days to think about it. Mr. Melnick agreed with Ms. Hocken, saying that he would like more time to reflect on it and vet it with others, such as the BRT Steering Committee, which included bus users, City Councilors, and other interested persons and groups. Ms. Hocken said that she did not want to taint their review with the other finalist names, and Ms. Ban said it would be important for the Steering Committee to know what the process had been.

Mr. Melnick wondered if the Board could give tentative approval. Ms. Wylie suggested that the Board ask staff to begin the copyright search and take the proposed name to the BRT Steering Committee, and then bring this issue back to the Board at the July meeting. The caution was made to keep this discussion from public consumption, because LTD wanted to control the unveiling of the name.

MOTION WITH-DRAWN Mr. Kleger and Mr. Gaydos agreed to withdraw their motion and have staff do the things suggested by Ms. Wylie and the other Board members. Mr. Gaydos said he did not feel a sense of urgency, other than looking forward to people beginning to associate the name with the service.

**BUS RAPID TRANSIT GOALS AND PERFORMANCE OBJECTIVES:** Mr. Viggiano referred to page 47 of the agenda packet. He noted that the Board had discussed the proposed goals and performance objectives in April. The BRT Steering Committee had recommended approval, with one change clarifying that every design element would not necessarily apply all along the corridor.

MOTION VOTE Ms. Hocken moved that the Board adopt LTD Resolution No. 2002-014: "It is hereby resolved that the Bus Rapid Transit Goals and Performance Objectives, dated June 2002, be approved as recommended by the BRT Steering Committee." Mr. Kleger seconded, and the resolution was unanimously approved, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**BOARD HR COMMITTEE RECOMMENDATION:** HR Committee Chair Gerry Gaydos said that the Board had the opportunity to review the performance of the general manager in private session, and that goal was to have a regular evaluation process as part of the Board's annual calendar. He said that this year the Board and all but one senior management staff had participated in the evaluation process. The tool used was recommended by the American Public Transportation Association (APTA), and the committee thought it was a very good tool. He thanked the Board and staff for participating and for doing so in a timely fashion.

Mr. Gaydos stated that the evaluation result was that Mr. Hamm had done an outstanding job in every category that was evaluated, and the Board was very pleased with Mr. Hamm's performance, and with LTD in general. He said that LTD was in hard times economically, and it was hard to make the reward match performance.

MOTION Mr. Gaydos moved that the Board approve LTD Resolution No. 2002-026: "It is hereby resolved that the LTD Board of Directors accepts the proposal of the Board HR Committee for the



recommended general manager FY 2002-03 compensation adjustments of 3 percent retroactive to March 1, 2002, plus .75 percent starting July 1, 2002, plus one additional week of Consolidated Annual Leave." Mr. Melnick seconded the motion.

Mr. Hamm thanked the Board and staff who participated in his evaluation. He said he saw some good themes in the written evaluations and that he would be working on goals and objectives in those areas. He said he would communicate to the Leadership Council (management staff) and others regarding those goals, as appropriate. He also thanked those who participated for having the courage to be honest, which he said was integral to the success of the organization and to him.

Mr. Melnick stated that the Committee and the entire Board were very impressed with Mr. Hamm's performance. He appreciated the willingness of the senior staff to propose some goals for the future. He wanted to be clear about the Board's support for what Mr. Hamm was doing, and, by extension, everyone else.

Mr. Kleger also appreciated the willingness of staff to fill out the form. He noted that the differences between the Board's and staff's responses were not that great, and that staff's responses were very useful and beneficial to the Board. He wanted to say directly to Mr. Hamm that Mr. Hamm had done a magnificent job under difficult circumstances in the last year, and that he appreciated the way Mr. Hamm came through for LTD. He also said that he hoped it would not be too long before the Board could match Mr. Hamm's excellent performance with comparable compensation increases.

Mr. Hamm commented that he was like the coach and collaborator of the talent of the people in the room, and others. He said he did not deserve all the credit for this past year; he had to step up and play his role, but the team thought through all the pieces during a time that was agonizing for everyone. He said that he appreciated the team very much.

Ms. Hocken said she wanted to echo the comments about what an excellent job Mr. Hamm had done. She said she was looking forward to continuing to work with him and to the time when LTD would have more money and resources, and that she did not know if it was possible to have any more dedication on the part of the staff than they already had. She also stated that it was important to move forward with a new employment contract, which currently was being drafted by the HR Committee and District counsel.

Ms. Wylie agreed, and also thanked Mr. Hamm for the way he accepted his role in being responsible for the organization, noting that the "buck" did stop with Mr. Hamm.

VOTE           The vote was taken on the Resolution before the Board. It passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.

**ELECTION OF BOARD OFFICERS:** The Board officers of president, vice president, secretary, and treasurer were elected for two-year terms that would expire at the end of June.

NOMINA-   Mr. Gaydos nominated the following slate of candidates: Ms. Wylie to continue as president, TION       Mr. Gaydos to continue as vice president, Ms. Hocken as secretary, and Ms. Lauritsen as treasurer, VOTE       to two-year terms beginning July 1, 2002. Mr. Melnick seconded, and the four officers were elected by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Kleger, Melnick, and Wylie voting in favor, and none opposed.





**ITEMS FOR INFORMATION AT THIS MEETING:**

**Board Member Reports:** Metropolitan Policy Committee (MPC): Mr. Kleger had attended the June 13 meeting with Ms. Wylie. He thanked Ms. Gardner for a good briefing and said he had been able to reiterate the need to include transit access in bike path issues. He said that there was a lengthy discussion of the South 42<sup>nd</sup> Street issue, and that MPC placed it at the top of its priority list. BRT Steering Committee—Mr. Gaydos reported that the main discussion at the May 21 Steering Committee meeting had been about the BRT policy change approved that evening. Mr. Viggiano added that the committee also discussed the Coburg Road corridor, which was discussed by the Board at the June 17 Special meeting. Mr. Hamm said he had talked with FTA that day and learned that LTD might be receiving approval for the bus demonstration project very soon. Ms. Hocken asked about the designation of the Pioneer Parkway corridor as 4-F. Mr. Viggiano replied that it provided critical links to bikes, etc., and was primarily for transportation with some incidental usage. He said that staff would discuss this issue with the FTA on June 26 and stress that this was not a 4-F issue. Board HR Committee—Mr. Gaydos said that it was a real pleasure to work with Mr. Kleger and Mr. Melnick, and that he thought the Board would continue to get a good work product as the committee continued its work.

Board Finance Committee—Ms. Hocken reported that last month the Finance Committee discussed the group pass policy and information on how the debt policy process was going to work. She noted that there recently had been meetings with the bond counsel. Ms. Hellekson added that the Finance Committee would be actively involved in this process as it moved along. She said that the meeting with bond counsel had provided a good overview of the process and what projects were to be considered for this process. Staff also had met with financial advisors who worked with other transit districts, and felt good about that meeting. She said that the financial advisors would work behind the scenes on rating issues and other issues that would be difficult for staff to accomplish. She noted that it was a good time to receive a rating, because LTD had a very strong balance sheet with cash reserves. Staff explained that LTD would not have to go to a vote on revenue bonds, but would have to if the District wanted to use general obligation bonds or a new tax. Ms. Hocken asked if LTD needed to set up a sinking fund for setting aside money. Ms. Hellekson said that the committee would be discussing those details. Mr. Gaydos said he continued to hear some concerns in the community about LTD going into debt, so the District needed to prepare its messages for the community, such as explaining why this was a rational approach for capital, and that it was sound financially. Ms. Hellekson said that the committee would be discussing how that would happen, and that there would be a public campaign. Ms. Wylie noted that LTD no longer was receiving federal money for buses, even though the District had asked. Ms. Hellekson stated that the FTA suggested that LTD not ask anymore, because this was one of the capital projects that was the easiest to finance other ways. She said that the Finance Committee would see a timeline in September, and if everything were approved by November, the process would be in good shape. She stated that LTD would be placing debt after receiving the five articulated buses, so would reimburse itself. She said that this was not unlike pre-spending grant money, as LTD had done in the past.

Springfield Station Design Review Committee: Mr. Simmons had discussed the committee's activities at the special meeting Monday evening. The next meeting was scheduled for July 23. He said that staff had met with Oregon Department of Transportation (ODOT) staff that day and had some issues to work out regarding traffic signals and other permits at the new station, and would update the Board at the next meeting. Mr. Viggiano said that at the last committee meeting, there had been a lot of discussion about joint development and where it would be placed on the plaza.



He thought that the designers had been pointed in the right direction in order to go forward with the design process.

**General Manager's Report:** Mr. Hamm told the Board that the president of the American Public Transportation Association (APTA) would be in Eugene on July 9, partly because of LTD's national visibility and partly because he would be in Portland for a conference. He said that this would be a significant visit for LTD because APTA played a role on the Hill and in the reauthorization of transportation funding. Mr. Hamm said that Federal Transit Administrator Jenna Dorn might be visiting LTD in July, as well. Third, he said, staff were recommending a recess for the Board in August, since there were no significant action items planned.

**Monthly Financial Report:** Ms. Hellekson said that LTD's finances were right where they were expected to be at eleven months through the fiscal year, with no need for a course correction, and that LTD was well prepared for the new fiscal year. Ms. Hocken asked about the self-employment tax receipts as reported in the agenda materials. Ms. Hellekson said that amount was the money paid in April 2002 for the 2001 tax year; some revenue would straggle in because of tax return extensions, but most of the 2001 self-employment tax receipts had been received. Ms. Hocken commented that LTD just about made budget in that category, too.

**Department Reports:** Government Relations Manager Linda Lynch reported that she and Mr. Hamm had been in Washington, D.C., the previous week. They had met with Senator Patty Murray, the chair of the Transportation Appropriations Subcommittee on the Senate side, who was very attentive and interested in LTD's projects. They also met with the transportation legislative assistants for Senators Smith and Wyden and Congressman DeFazio, as well as the transportation aide for Senator Shelby, the ranking member and former chair of the Transportation Appropriations Subcommittee and a member of the Banking Committee, where the mass transit part of reauthorization was handled. Ms. Lynch said that the transportation bills were not slated to be marked up until September or later, and that there was a fear that none of the appropriations bills would be done until after the new federal fiscal year. She added that Congressman DeFazio was beginning to position himself to be on the surface subcommittee of the Transportation Committee on the House side, and that, depending who was in the majority, he was senior enough now that he would have a committee chairmanship.

**Performance Reports:** Ms. Wylie asked about a drastic drop in productivity on Memorial Day Monday. It was apparent that there was an error in the graph rather than a drastic decrease in productivity.

**ADJOURNMENT:** There was no further discussion, and the meeting was adjourned at 8:15 p.m.



Board Secretary

