

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, October 16, 2002

Pursuant to notice given to *The Register-Guard* for publication on October 10, 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, October 16, 2002, beginning at 5:30 p.m., in the LTD Board room at 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President, presiding
Gerry Gaydos, Vice President
Patricia Hocken, Secretary
Virginia Lauritsen, Treasurer
Susan Ban
Dave Kleger
Ken Hamm, General Manager
Susan Hekimoglu, Recording Secretary

Absent: Robert Melnick

CALL TO ORDER: The meeting was called to order at 5:34 p.m. by Board President Hillary Wylie.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: Under the *Items for Action* portion of the agenda, Ms. Wylie added Item C, *Community Activities in Which the Board is Involved*.

WORK SESSION

Executive Session: District Counsel Roger Saydack and Rohn Roberts of the law firm of Arnold Gallagher Saydack Percell Roberts and Potter were present to consult with the Board. Ms. Lauritsen moved that the Board meet in executive session pursuant to ORS 192.660(1)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed, and pursuant to ORS 40.225, lawyer-client privilege, to hear an opinion of counsel. Ms. Ban seconded the motion, and the Board unanimously entered executive session at 5:40 p.m. Upon a motion by Ms. Lauritsen and seconded by Ms. Ban, the Board unanimously returned to open session at 6:05 p.m.

MOTION
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PRESENTATION – NEW STARTS REPORTING REQUIREMENTS: Government Relations Manager Linda Lynch and Senior Strategic Planner Lisa Gardner were present to discuss the New Starts federal funding program. Ms. Gardner introduced Leon Skiles of

Leon Skiles & Associates, Inc., an environmental consulting firm. She said that Mr. Skiles had previous experience with the federal New Starts program and was present to discuss his experience and answer questions.

Ms. Gardner said that the New Starts program was a different funding source that could be an option for future bus rapid transit (BRT) funding. Staff had been aggressively investigating the New Starts category of federal 5309 funding. Ms. Lynch began the presentation with an overview of the program and explained why LTD might be interested in pursuing New Starts funding. She said there were three transit capital investment categories: New Starts, Fixed Guideway/ Modernization, and Bus and Bus Facilities.

The New Starts category included a Fiscal Year 2003 minimum of \$1.2 billion in the Transportation Equity Act for the 21st Century (TEA-21) funding. New Starts funding could be used for rail, light rail, streetcar, and other fixed guideway projects. The Fixed Guideway/Modernization category included \$1.2 billion in funding for needed capital improvements to maintain existing rail and light-rail lines. The Bus and Bus Facilities category included \$0.6 billion in funding for stations and bus purchases.

Ms. Lynch said that New Starts involved a detailed process that would require authorization in the next surface transportation authorizing bill. The Federal Transit Administration (FTA) acts as a partner in the project, and it is possible to obtain a multi-year grant agreement. The drawbacks of the New Starts funding source included more FTA oversight and associated time delays. There currently was a large backlog of projects. Also, it would be more difficult to change or amend the project.

New Starts project justification criteria included approval for Preliminary Engineering (PE) and Final Design, ratings in the Annual New Starts Report to Congress, an annual New Starts appropriation budget, and approval of Full Funding Grant Agreements (FFGA).

Ms. Wylie added that should LTD get a New Starts grant, it would enter into a full-funding grant agreement, which would fund the entire BRT build-out, including vehicles. Ms. Gardner clarified that LTD could apply for a FFGA for each project or corridor, but not the full build-out of BRT. The FTA preferred that projects be broken down into minimum operating segments. Ms. Gardner said that Mr. Skiles would be discussing the specifics of applying for New Starts funding, and the Board would learn more about why it would be onerous to attempt full-system funding at one time.

Mr. Skiles said that he had been employed as a planner at LTD for six years during the 1980s. He also said that he was very familiar with the New Starts program. He had managed the Hillsboro extension of the Westside project for Tri-Met and the South/North light-rail projects for Seattle Metro. He currently was working as a sub-consultant on the Washington County Commuter Rail project that began as an exempt project and had since become a non-exempt project. He had been responsible for preparing the New Starts report for that project. He displayed a New Starts report that he had prepared and noted that the report was small in size, but the supporting land use documentation was very large. The report was an important task that needed much care and attention.

The purpose of the New Starts reporting primarily was to inform the FTA and Congress thoroughly about the project so they then could make good decisions about the discretionary funding. Those decisions were both technical and political in nature. The report was used first to determine if the non-exempt projects were capable of moving through the project development process. It also informed the FTA about how much money to put into the President's budget. The report allowed Congress to decide whether or not to appropriate money for the project and was meant to help both the FTA and Congress fairly compare projects across the country. It also was used to help determine whether or not to sign an FFGA.

The report would be submitted at a critical point, typically when approval was sought to advance into the preliminary engineering stage. The report then would be updated annually and as needed at project milestones. Mr. Skiles referred to the project development chart on page 49 of the agenda packet. He said that as the process moved forward toward completion, the requirements became more stringent. It was fairly easy to get into the preliminary engineering stage, more difficult to get to final design, and, finally, even more difficult to get to an FFGA. The thoroughness and accuracy of the report was a big factor in moving through the New Starts process.

Mr. Skiles noted that a very important part of the process was good project management oversight. It was not a part of the New Starts reporting process, but was a critical part of achieving funding out of New Starts. Having a consultant review everything that was done during the engineering and final design stage would provide quality control, technical oversight, and assessments of technical and financial capability of the project. The project management oversight consultant would issue spot reports that would be included in the New Starts report. Mr. Hamm added that the project management oversight technically was the FTA watchdog of the project. The FTA required the project management oversight process (PMOC).

Ms. Hocken asked if all the corridors needed to be at the same level of development at the same time in the New Starts process. Mr. Skiles said that the FTA would not enter into an FFGA until the final design process was at least 60 percent completed to the point that final specifications could begin being drawn for the bid process for each minimum operating segment or project. Ms. Hocken then asked if the stages of development for each corridor needed to be done simultaneously. Mr. Skiles said that was not necessarily correct, and, in fact, the FFGA could include amendments to accommodate additional corridors if they were being planned at or near the same time. Setting up an amendment in the FFGA would prevent the need to get back in line for funding. For instance, if the Coburg Road and Pioneer Parkway corridors were being planned at the same time under one FFGA, the loop at the end of those corridors that would connect them could be amended into the FFGA.

Finance and Information Technology Director Diane Hellekson clarified that the FFGA locked the project into a certain amount, probably not more than 50 percent of the projected cost, and if the project took several years to complete, which most projects did, most likely the costs would increase. If the costs increased, the FFGA amount would not increase, so the burden would be on the local match. There was a risk there because the

projects were big and took long to complete. The odds of cost increases over time were fairly high, which could mean that in the end, the federal portion of the project actually would be less than 50 percent of the project.

Due to time constraints, the New Starts presentation was suspended until later in the evening during the regular session.

REGULAR SESSION: Ms. Wylie called the regular session to order at 6:39 p.m.

NOVEMBER 2002 EMPLOYEE OF THE MONTH: Senior Human Resources Analyst Joyce Ziemiak was present to introduce the November 2002 Employee of the Month, Human Resources Technician Stephen Rayack. Ms. Ziemiak said that Mr. Rayack had been employed with the District for more than 18 years. He had worked as a bus operator for 16 years, and in July 2000 transferred to his current position. She noted that Mr. Rayack always had been great with customer service. He worked on many liability issues, which was not always easy for customer service-oriented people, but Mr. Rayack handled that part of his job well as a good listener and by ensuring that people felt taken care of, while at the same time protecting the District. She added that Mr. Rayack was well suited for HR work, and she was glad to have him as a co-worker and pleased that he had been selected as the Employee of the Month.

Ms. Wylie congratulated Mr. Rayack and presented him with a lapel pin, a certificate of appreciation, a letter of congratulations, and a monetary award.

Mr. Rayack said that he had worked at LTD for a long time, though not as long as many of his co-workers. He said that he always was amazed at how few people actually left the District's employ once they were on board. It was a good place to work. The other thing that he said had impressed him over the years was that from top to bottom and from side to side, people who worked at LTD tended to care very deeply about the work that they performed and they had a great passion about the product that was put out on the street. And though they frequently disagreed, which was the fun part of all that passion, he hoped that LTD always kept its vision on putting the best product out on the street for the broadest number of people, because that was what made it worthwhile.

Mr. Hamm added that Mr. Rayack's nomination came from a number of areas within the organization and not only from his co-workers in the Human Resources department. Employees generally said that when Mr. Rayack had transferred into HR, he had become a bright spot in the organization who paid particular attention to the needs of the people. When there was a cross-section of people who were applauding someone, it was a neat recognition. Mr. Hamm congratulated Mr. Rayack.

AUDIENCE PARTICIPATION: Ms. Wylie asked if anyone in the audience wished to address the Board. There were none, and she closed the audience participation portion of the meeting.

NEW STARTS PRESENTATION, CONTINUED: Mr. Skiles continued his presentation by discussing the rating process for New Starts applications. He said that the FTA gave projects an overall rating, a project justification rating, and a financial justification rating. The three overall ratings were *highly recommended*, *recommended*, or *not recommended*. Those ratings were based on the criteria for project justification and financial justification ratings. The project justification ratings were based on mobility improvements, environmental benefits, operating efficiencies, cost effectiveness, land use, and other criteria. The financial justification rating was based on the availability of local share, a capital finance plan, and an operating finance plan.

Mr. Hamm asked if there was a way to internally rate the project in order to determine that it was a financially viable project prior to submitting it to the FTA. Mr. Skiles said that it was an equation of the annualized capital costs divided by the annualized projection of increased ridership. That equation would indicate cost effectiveness. The transportation user benefit ratio was more difficult to measure but typically came to about the same dollar amount. The financial justification was very critical because of the local share. The lower the federal share, the less onerous the New Starts federal process would be. FTA wanted to spread the money out to as many properties as possible, so projects that had more local share could be favored. The FTA also believed that local funds would be spent more wisely than would federal funds. Mr. Hamm asked if the FTA would be looking at the size of the project as well. Mr. Skiles said that to some degree, it would. The FTA also would carefully consider the ability of the property to operate the capital project once it was built.

Mr. Skiles then discussed the difference between projects that received non-exempt and exempt status. If a project asked for less than \$25 million in federal funds, it automatically would be given an exempt status. Congress also could designate a project to be exempt. Such projects would be exempted from submitting the project justification report, being rated by the FTA for preliminary engineering and final design, and from having to have a FFGA to receive New Starts funds. However, exempt projects were not exempted from having to provide the financial criteria and providing spot reports demonstrating technical and financial capability. If a FFGA was desired, even though the project was designated as exempt, a New Starts report would need to be submitted in order for the project to be rated for a FFGA. All other regulations would apply.

Mr. Hamm said that it would be interesting to see how the New Starts proposals would shape re-authorization language, because one of the areas that had been discussed at great length at the national level was the streamlining of the requirements in the process for the small, under \$25 million, New Starts projects. Mr. Skiles said that in the annual budget request, the FTA explicitly stated in the regulations that they would find it difficult to support exempt projects in the annual budget process that if a New Starts Report was not submitted and the project had not received a rating. It was important to submit the New Starts report regardless of the exempt or non-exempt status.

In conclusion, Mr. Skiles said that the quality of the New Starts Report was the key to successful funding. An important consideration was future flexibility in funding, or how much effort to expend to get that flexibility in the future to become a New Starts project, and

how much flexibility was needed for funding. For instance, a project could begin at less than \$25 million federal funds, but over the life of the project, costs most likely would increase, putting the project at more than \$25 million, which would change the status of the project if additional federal funds were used to meet the cost increase, and the flexibility in funding would be important. Then, there was the consideration of the trade-offs in timing of submitting a New Starts report. The earlier it was submitted, at the preliminary engineering stage, for example, the easier and least costly it would be to do, but the latest opportunity would be at the FFGA stage, but by then it would be more disruptive.

Ms. Wylie asked if there was another property in the BRT consortium group that had received New Starts funds. Ms. Gardner said that the Miami, Florida, BRT project had successfully applied for New Starts funds and was the first BRT project to negotiate a FFGA. Development Services Director Stefano Viggiano added that Pittsburgh, Pennsylvania, had used New Starts funding for its busway.

Ms. Lynch said that the decision needed to be made about how to proceed. She did not think it would be a good idea to ask to be authorized as a New Starts project in legislation unless the Board was certain that it was going to pursue the New Starts funding. LTD could choose whether or not to be authorized in the Bus category, but would face the same timing issues it faced with the Phase 1 funding. LTD could work on how to simplify the process, and try to get it into legislation, but there was no guarantee that it would be successful in time for the next BRT corridor funding requests. Ms. Lynch said that she had discussed simplifying the New Starts process with FTA staff, but the idea was not well received. Since the inception of the New Starts program, the rules and regulations had evolved and, unfortunately, the process had become more elaborate rather than more simplified.

Ms. Gardner added that if staff attempted to propose and draft simplified language for a more simplified process, LTD's success in building a BRT project (Phase 1) with Bus Category funding could be highlighted. It would demonstrate how a simplified New Starts or Small Starts process could be more successful in delivering better projects for less money or overhead.

Ms. Lauritsen asked what staff expected from the Board at this time. Ms. Lynch said that staff were not asking for direction at this time, but rather wanted to provide some assurance to the Board that staff were investigating the New Starts program and what it would entail for the BRT project. Ms. Gardner added that there was a 10-page version of the New Starts funding staff report available upon request. Ms. Hocken requested a copy of the full report.

Ms. Hocken asked staff to provide information about the cost associated with additional staffing or consultants to work through the New Starts process. She also thought that it would be helpful to know if LTD's BRT project was at all in the ballpark of what the FTA would be looking for in cost benefit. Mr. Skiles thought that the first phase of work would reveal a lot about the project without a lot of work. The future ridership modeling or forecasting would need to be fully understood and given much attention to ensure that it

worked as accurately as possible. Mr. Skiles added that production of the New Starts report with the land use attachments would cost approximately \$25,000 to \$30,000.

Ms. Ban asked how much of that would be done in any case as diligent planning. Mr. Skiles said that the production of the report was not where the bulk of the money would be spent, but in project oversight to ensure the accuracy of the report.

Ms. Gardner added that another part of the cost came after the FTA began auditing the project. The FTA might recommend additional staffing or something else that might come with an additional cost in order to meet the financial capacity test and the operating requirements. Mr. Hamm said that was just an example, and the audit could result in no additional costs as well. During the planning stage, costs would be incurred, both in staffing and in consultants, which became part of the local match. Staff would continue to analyze whether or not the New Starts program would make sense for the BRT project.

Ms. Wylie said that the Board and staff had worked hard to get the concept of BRT approved and forwarded, and she looked forward to the decision about how it would be funded. She thought every avenue needed to be explored and evaluated as to what might be the most successful. She thanked staff and Mr. Skiles for the presentation.

Ms. Hocken asked when staff would be providing another progress report that included potential costs and what the impacts at the Congressional level might be following the November election. Ms. Lynch said that a decision would need to be made within the next few months so that in January 2003, Congressman DeFazio could be informed about where LTD wanted to be in terms of funding possibilities. Ms. Gardner added that staff would determine through the alternative analysis which requirements would need to be met regardless of what funding source was selected.

MOTION CONSENT CALENDAR: Mr. Kleger moved LTD Resolution No. 2002-035: "It is hereby resolved that the Consent Calendar for October 16, 2002, is approved as presented." Mr. Gaydos seconded the motion, which passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Lauritsen, Kleger, and Wylie voting in favor, and none opposed. The Consent Calendar consisted of the minutes of the September 18, 2002, regular Board meeting and the Bylaws and membership roster of the Special Transportation Advisory Council.

VOTE

MOTION FIRST READING, LTD ORDINANCE No. 36, REGULATIONS GOVERNING CONDUCT ON DISTRICT PROPERTY: Mr. Gaydos moved that Ordinance 36, 2002 Revision, be read by title only. Mr. Kleger seconded the motion, which passed by unanimous vote, 6 to 0, with Ban, Gaydos, Hocken, Lauritsen, Kleger, and Wylie voting in favor; none opposed. Ms. Wylie then read the title, "Lane Transit District Ordinance 36, 2002 Revision, Regulations Governing Conduct on District Property." Transit Operations Director Mark Johnson said that the Board was familiar with the issue, and he reiterated that it was the intent of the Board and staff to provide the best possible environment for LTD guests.

VOTE

COMMUNITY ACTIVITIES IN WHICH THE BOARD IS INVOLVED:

Ms. Wylie said that there were a number of activities in which the Board had participated in the past, such as Chamber of Commerce auctions. LTD currently was invited to participate in the UO Alumni/Springfield Chamber Auction, which precipitated this conversation. Ms. Wylie said that it was her opinion that LTD had asked for support and participation by various community organizations, and she believed that LTD needed to continue to support those organizations' activities as well. She added that there were community activities that LTD had not participated in recent years, such as the Springfield Christmas parade and the Eugene Celebration parade.

Mr. Hamm added that staff had been discussing what community activities were appropriate for LTD to participate in, given the recent budget cuts. Staff had cut back on many of the extracurricular activities in order to demonstrate that LTD was a good steward of the public funds during tough economic times. At the same time, there were some activities that made sense for LTD to participate in, and it was felt that those primarily were Board activities, although staff previously had participated in those activities as well. Chamber events were considered Board activities, while other activities, such as parade participation, were more of a District representation activity that might show a community spirit in participation. Currently, there was a request for table sponsorship at the UO Alumni/Springfield Chamber auction.

Ms. Lauritsen requested a list of expected activity requests with associated costs so the Board could prioritize its involvement. Mr. Hamm said that he could provide the list for the next Board meeting. He added that Chamber event sponsorships ranged from \$500 to \$1,500. There were several annual dinner/gala type events that the Board previously had participated in. Service Planning and Marketing Manager Andy Vobora added that staff virtually had denied most requests for donations, but had continued participation by sponsorship in some events, such as the Mayor's Ice Cream Social at the Filbert Festival. The event sponsors were reimbursing LTD for other District participation, such as shuttle requests.

Ms. Hocken said that she thought it was important that LTD continue to be a participant in the community in business organization events. She thought that participation could be reduced by sending fewer people to ensure an LTD presence instead of sponsoring and filling an entire table. Mr. Kleger agreed that while it might be prudent to reduce the level of participation, it also was important to maintain a level of presence as a community participant.

Mr. Hamm said that he thought the District historically had been fairly conservative in this area. Ms. Lauritsen agreed that it was her opinion that the District had been prudent, and she thought that the current level of involvement should be maintained; however, new requests should be considered individually. She also reiterated her request for a list of the anticipated activities for Board consideration.

Ms. Ban suggested that the principles be low-cost, high impact, and a blending of both Board and staff to rotate through the various functions. Mr. Gaydos agreed with Ms. Hocken's comment that it was not necessary to purchase a table at each of the events,

particularly since several Board members typically attended through other associations. He thought it was a stewardship issue, and if there was an activity that Board members and/or staff members ought to be attending, it was a legitimate expense.

Ms. Hocken thought that LTD's participation in the Eugene Celebration parade was difficult, particularly during football season. LTD also contributed by absorbing the costs of the free rides with a Celebration Pin. Ms. Ban thought that those were marketing decisions, and her concern was more about presence and networking issues. She thought that if staff thought Board presence was necessary at a function, then the Board should be informed and offered an opportunity to attend.

Ms. Wylie said that LTD previously had a decorated bus in the Springfield Christmas parade that she had ridden on, and she thought the parade goers had responded well to that. She believed LTD should continue that participation. She thought good will was important and could be accomplished at little expense.

Mr. Hamm asked that Board members contact executive assistant Jo Sullivan if they were interested in attending the UO Alumni/Springfield Chamber auction. The individual cost to attend was \$50, and for a bit more money, and for the good will of the Chamber and the UO, two organizations that LTD often called upon for support, a table could be sponsored.

BOARD MEMBER REPORTS: a) Metropolitan Policy Committee: Mr. Gaydos reported events of the October 3, 2002, MPC meeting. A report from the regional meeting of ODOT was heard, and Lane County reviewed a list for the Beltline/I-5 improvements that was forwarded to ODOT. ODOT staff reported that it was agreed that ODOT needed to broaden its involvement and support beyond just road projects, and to develop a way to do that with such projects as bus rapid transit, etc. b) BRT Steering Committee and Board BRT Committee: No Report. c) Springfield Station Design Review Committee: Ms. Lauritsen said that she had been unable to attend the September 30 meeting, but staff would be making a report later in the meeting.

SPRINGFIELD STATION UPDATE: Mr. Kleger said that time was spent at the September 30 Design Review Committee (SSDRC) meeting discussing the appropriateness of the staff and architect's response to ODOT's insistence that LTD separate the driveways along South A Street further than originally planned, and concluded that it would be acceptable. The other major discussion was about the design of the customer service and joint development building.

Facilities Manager Charlie Simmons said that at the previous Board meeting, he had displayed different options than the one the SSDRC had settled on. He distributed color copies of photos that had been taken of the model of the current design. He described the joint development/customer service building. The revised site plan called for the tenants to be located in the north part of the building, with the public restrooms being located just south of a public walkway connecting the parking lot to the bus platform. The guest service center would be located at the south end of the building. In order to cut overhead costs, the tenants would be required to manage the public restrooms.

Clayton Walker, a commercial real estate broker, had been hired to work with the architects to design a very leasable space. Mr. Walker had worked on the LTD Glenwood facility and a number of other public projects. Mr. Kleger added that the SSDRC had discussed the importance of having desirable leasable space.

Mr. Hamm asked if there was a potential logistics problem with the public restrooms if two tenants were in the building. He said that he was concerned that the restrooms appeared to be separated and isolated from the tenant space. Mr. Simmons said that the location of the restrooms still would be adjacent to the tenant space, which would not be further developed until it was known who the tenant (or two tenants) would be. The tenant(s) would have a sight line to the restrooms at the currently designed location. The other opportunity that the design provided was that the restrooms would be located near the guest service office, and they could be monitored by LTD in the event that there was no tenant or the tenant offices were closed. Also, the tenant space could be closed without affecting the restrooms.

Mr. Kleger said that Mr. Walker had said that the tenant space should be flexible and left open until a tenant was secured. A larger space was more marketable, and the interior then could be built to suit the tenant. Nothing about the layout of the building would preclude the writing of a contract with the tenant that included certain maintenance and oversight responsibilities. Providing public restrooms would be marketable for the tenants as well. Most likely, tenant staff restrooms would be built within the tenant space.

Mr. Hamm said that he was concerned that the farther away the public restrooms were from the reality of business, the more illegitimate activities took place within that public space. Mr. Simmons said that the visibility and operation of the public restroom space was a concern of the design team as well. The real estate brokers were optimistic that financial incentives to oversee the public restrooms would be desirable for the tenant(s). The operational financial incentives would reduce LTD's overhead costs of operating the site. Another nice feature of the current design was that LTD's actual office space was quite small, but if more space was needed over time, it would be readily available.

The Station Art Selection Committee was scheduled to meet to review the six public art proposals that had been received. The committee would complete the selection process in December. The design review would be complete by mid-November. Following the site review, construction was on target to begin in the spring, contingent upon full funding.

BOARD MEMBER REPORTS, CONT.: d) Coburg Road Stakeholder Group. Ms. Ban reported that the group had met twice and was in the process of gathering information and setting the tone for the process. e) BRT Naming Committee: Mr. Gaydos reported that the committee had met in early October to select a name. The process was similar to the first attempt, in which the committee members reviewed several hundred possible names and had narrowed the list to 11. Following a large amount of employee and public feedback, the process likely would change. Staff were gathering additional information, and the committee would meet again on October 31. f) APTA Annual Meeting and Expo Report: Several Board members and staff had attended the recent American

Public Transportation Association (APTA) meeting and Expo that was held in Las Vegas. Ms. Ban said that attending the meeting and Expo as a new Board member had proven to be a good learning experience. She had been exposed to many possibilities in technology, and she had really enjoyed sitting in on the BRT meetings. Ms. Wylie said that she had attended the previous Expo in Orlando in 1998. At that time, LTD was interested in the European CiViS bus and had photographs of it to show to the American manufacturers at the Expo. At the recent Expo, there actually had been a CiViS bus on the Expo floor, and she had the opportunity to sit in it and really get to see it up close. Also, since that time, she noted that the transit system in Las Vegas had purchased the CiViS bus, and she had enjoyed seeing the European bus in operation. She was pleased to have been part of the process that LTD had been involved in to change the face of transit in the United States. Mr. Gaydos said that he appreciated the opportunity to spend more time with staff, and to attend the educational sessions. It was helpful to understand the tension that existed with the American bus manufacturers with the increasing popularity of the European-style buses. Mr. Gaydos wondered about the need to have sent so many people from LTD to the Expo. He appreciated that staff had researched and found a very inexpensive hotel as well as securing a group rate for the flight to Las Vegas. He thought the Expo was worthwhile and provided the opportunity to get more "bus in the blood," which was a good thing. Mr. Kleger had not attended, but said that he had heard from an operator who attended that it had been very worthwhile. Attending an Expo of that magnitude opened the perspective of what was available in the bus industry and enhanced LTD's ability to make choices that mattered. Mr. Gaydos added that one of the things he had learned about was the need to have a policy base for a public/private partnership with the leasing of space at the Springfield Station. He asked staff to look into that so LTD could be properly positioned before entering into that partnership. g) Board Finance Committee: No Report. h) Region 2050 Policy Advisory Committee: No Report. i) Statewide Livability Forum: No Report.

GENERAL MANAGER'S REPORT: Mr. Hamm reported that the staff who had attended the Expo had debriefed their experiences. Staff had appreciated the opportunity to attend and to dialogue with the Board members. Employees were given an opportunity to compete by essay for a chance to go to the Expo, and part of the strategy for doing that was to have those employees who were in the ranks come back and talk about the experience with other employees. It also gave them an opportunity to see a broader range of transit information than they typically were exposed to.

Mr. Hamm also reported that the Leadership Council had held its annual retreat on October 10 and 11. He believed that a dynamic discussion had been held regarding some of the preliminary foundation pieces for strategic planning. In addition, LTD leaders had gained some practical tools to improve communications with staff, and had participated in team-building exercises.

Ms. Wylie noted that the General Manager's Report included an announcement of a Regional Transportation Finance event to be held on October 30, which conflicted with a Trustee meeting that involved herself, Mr. Hamm, and Assistant General Manager Mark Pangborn. Mr. Hamm said that the event was being held to inform local businesses about tax incentives for transportation alternatives. Invitations to the event had been distributed to Board members.

Mr. Hamm said that the Board had received a sheet of Strategic Planning Workshop meeting options to be discussed. There were three options to be considered. Option A called for the meeting to be held all day Friday, December 6, 2002, and from 8:30 a.m. to 1:30 p.m., on Saturday, December 7. Option B added a "Board only" dinner discussion on Thursday, December 5, from 5:30 p.m. to 7:30 p.m. Option C included Option B, but eliminated the Saturday session. Following discussion, the Board members preferred Option C, with the modification to begin at 4:00 p.m. on Thursday, December 5, with budget discussion in the LTD Board room, followed by the Board-only dinner discussion, and ending at 7:30 p.m. An all-day meeting would be held on Friday, December 6, at a location off LTD property, which would include a working lunch. There would be no meeting on Saturday, December 7. Mr. Johnson said that the meeting facilitator would be present at the November Board meeting to discuss the final arrangements.

MONTHLY FINANCIAL REPORTS – AUGUST AND SEPTEMBER 2002:

Ms. Hellekson said she did not have much to add to the written report on page 54 of the agenda packet. Expenditure control and payroll tax receipts were good, but there was some concern about ridership figures and fare revenue. Implementation of the Automated Passenger Counting and Automated Vehicle Locator (APC/AVL) system would provide better ridership data. The Comprehensive Annual Financial Report (CAFR) was to be reviewed by the Finance Committee on October 30 and the entire Board with the auditor at the November Board meeting.

BUS RAPID TRANSIT UPDATE: Mr. Pangborn said that the design of Phase 1 was coming along at a fairly fast pace. It had been divided into two pieces, downtown Eugene to Franklin Boulevard and Franklin Boulevard to downtown Springfield. The Eugene section design was nearly complete, and the permit process was about to begin. The Springfield section was still a few months away from design completion. Negotiations with the Oregon Department of Transportation (ODOT) were continuing. Mr. Pangborn and Mr. Simmons recently had given a presentation to the Springfield City Council, which was positively received. The next estimate of the complete corridor costs would be ready by the end of October. Negotiations for property acquisition along the Eugene section had begun. Only two properties were needed for stations along the Eugene section. Staff had talked with all property owners along the corridor, and there were still a few who had concerns about access into and out of their businesses.

Mr. Pangborn reported that LTD had received the Buy America Waiver from the FTA to purchase the six Phileas vehicles from APTS in the Netherlands. Mr. Hamm, Fleet and Facilities Services Director Ron Berkshire, and Purchasing Administrator Jeanette Bailor would make up the vehicle acquisition team.

Mr. Gaydos said that some of the corridor property owners had talked with him about their concerns, and he felt that communications needed to continue with those owners.

Ms. Hocken asked if an exemption from vehicle testing had been received. Mr. Hamm said that staff were pursuing the issue. The FTA testing criteria had been sent to APTS for comparison with their testing criteria. If the testing criteria were comparable, it

was believed that the FTA would waive the requirements. Ms. Hocken asked about the cost negotiations. Mr. Hamm said that the specification details had to be agreed upon prior to final price negotiations taking place. Mr. Hamm said that LTD would consult with someone who had experience with the Las Vegas purchase of the CiViS vehicle. He added that he would be consulting with a local attorney who was from the Netherlands and who specialized in foreign procurement. Ms. Hellekson added that LTD had retained a firm to perform the "due diligence" investigation, which investigated APTS' ability to deliver as promised and the legitimacy of the APTS organization. Negotiations for the purchase would proceed pending a good "due diligence" report.

Ms. Hocken asked about the PeaceHealth site proposal and where it was in the BRT process. Mr. Viggiano said that PeaceHealth had submitted a preliminary site plan, which currently was being reviewed by the City of Springfield. PeaceHealth continued to show the BRT line operating through the site with a stop directly across from the proposed hospital.

CORRESPONDENCE: Ms. Wylie asked the members to review the correspondence included in the packet and to contact staff with questions or concerns.

MONTHLY DEPARTMENT REPORTS: Ms. Lynch reported that since the Government Relations report was written, FTA Administrator Jenna Dorn had postponed her visit to LTD. Ms. Wylie asked about Governor Kitzhaber's budget plans pending the outcome of the November election. Ms. Lynch said that she did not have the information with her, but there was a plan to fund some programs again if certain ballot measures passed.

Mr. Hamm called attention to the Accessible Services grant proposal for commuter services between Oakridge and Eugene-Springfield. Staff had attended the ODOT ranking meeting, and the proposed project had been ranked highest among all grant applications received. LTD would know soon if the grant would be awarded. The amount of the grant would be more than \$100,000. Mr. Kleger said that the program could provide significant savings to the Special Transportation Fund as well. If the people coming into Eugene from Oakridge were able to use the fixed-route service, there would be a major difference in the cost of the rides.

Ms. Ban asked about the White-Line Report that had been distributed to the members. Mr. Vobora explained that it was a sampling of the routes that were experiencing full standing loads. Each bus had a white line across the aisle, just behind the bus operator, which indicated that the bus was full to capacity when there were guests filling the seats and standing in the aisle up to the capacity indicated by the white line. Staff reviewed the report each week to determine tripper services. Bus operators called into dispatch when their bus indicated a "white-line" load. The report also indicated if people were being left at a bus stop due to capacity on the bus. The report also indicated what the resolution was, so staff could track the information to prioritize the need for tripper buses or changes to service. Because of the number of recent service cuts, there had been a significant increase in the number of full buses. While a full bus was a good thing, staff were concerned about whether or not that full bus was missing transfers or passing by waiting customers.

Mr. Vobora also discussed a UO Football Shuttle cost estimate for the current season based on each Park & Ride location. He noted that the cost was approximately \$50,000 per game, and the UO was absorbing that entire cost. Approximately 30 percent was being covered by the farebox, so the UO could choose to increase the cost of the fare in the coming years or could choose to absorb the entire cost, making the shuttles free.

Ms. Hocken asked about the purchase of the New Flyer articulated buses, and if LTD had been successful in tagging onto the Tri-Met contract for that purchase. Mr. Hamm said that those negotiations were underway, and if the effort were unsuccessful, LTD would go out to bid for those buses.

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

Board Secretary