

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING/WORK SESSION

Monday, March 31, 2003

Pursuant to notice given to *The Register-Guard* for publication on March 30, 2003, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Monday, March 31, 2003, beginning at 5:30 p.m., in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present: David Gant
Gerry Gaydos, Vice President
Patricia Hocken, Secretary
Dave Kleger
Virginia Lauritsen, Treasurer
Hillary Wylie, President, presiding
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Joe Sams, Minutes Recorder

Absent: Susan Ban

CALL TO ORDER: Board President Hillary Wylie called the meeting to order at 5:35 p.m.

WORK SESSION

Mr. Hamm said that the purpose of the meeting was to coordinate staff and Board efforts around bus rapid transit (BRT), establish clear staff direction regarding grants from the Federal Transit Administration (FTA), and discuss possible Springfield Transit Station issues.

A. BRT Phase 1 Vehicle Selection

Mr. Hamm noted that staff had visited bus manufacturing facilities in France and the Netherlands to assess what the best vehicle for the BRT project was. He stated that the overall preference was the Phileas model of vehicle made by Advanced Public Transport Systems (APTS) of the Netherlands. He said the project had moved forward using the dimensions of the Phileas vehicle, but that the cost of the vehicles was approximately 82 percent higher than expected.

Mr. Hamm said that the Board and the public inadvertently had the impression that LTD was looking for alternative vehicles than the Phileas model. He said this was not true and called for a process check with the Board to clarify the situation. He said there was some confusion of the alternatives and what the Board intended to do. He said LTD was

concerned about the cost of the Phileas model and its implications to the Board and the community. He asked for Board feedback on the matter.

Ms. Wylie said that the whole project should be reviewed in light of the recent state budget cuts. She noted that the BRT project had been a priority since she had been on the Board, but construction costs, as well as vehicle costs, were much higher than expected. She suggested that cost savings for the project should be investigated on all aspects, not just the vehicle.

Mr. Gant stressed the importance of taking a longer-range view of the project. He noted that cost overruns were something that would occur. He wanted to stay with the original project vision.

Ms. Hocken said her frustration was that she felt that there was no solid recommendation from staff. She noted that the community still needed to be involved in the process.

Ms. Wylie said there was a possibility of getting more federal funding for the project and urged the Board to consider carefully before making any decisions. She stressed the importance of having a train-like appearance for the BRT project. She noted that there were financial issues but said that just choosing a different vehicle would not solve the project's problems.

In response to a question from Ms. Lauritsen regarding FTA grant options, Mr. Hamm said that he had talked with FTA staff and discussed making a request to the FTA for LTD to participate in a technology demonstration project for BRT projects. He said LTD then would supply other transit systems with data for their BRT projects. He had written a letter requesting that status and would participate in a conference call the following day to discuss it further.

Assistant General Manager Mark Pangborn said that the FTA wanted Lane Transit District to complete its BRT project because LTD was further along in its project than anyone else in the country.

Mr. Kleger said he wanted to see the project completed as planned. He said he would be happier with the Phileas model of vehicle because it best fit the needs of the project, and that even two vehicles running on a regular cycle just to get the project going would be acceptable. He stressed that he did not want to build the infrastructure and not be able to use it because of vehicle design. He thought that additional funding allocated to the project would allow the project to be completed closer to the original goal.

In response to a question from Mr. Kleger regarding funding, Director of Finance and Information Technology Diane Hellekson said that LTD debt capacity was sufficient to purchase the vehicles, but noted that the organization did not have infinite capacity and there were other projects that needed to be completed. She said the issue was one of running out of federal matching grants for the project.

Ms. Hocken said she did not want to buy the planned number of vehicles unless more funding was forthcoming from the FTA.

Ms. Lauritsen reiterated Ms. Hocken's comments. She raised concern that LTD finances were too taut to be purchasing prototypes and running the risks of having them not perform as needed. She suggested asking the FTA to purchase a single vehicle for LTD to test. She stressed the importance of keeping the rights-of-way and raised concern about giving the separate jurisdictions time to change their minds on those issues.

Ms. Wylie commented that the Board should be progressing with the project as closely as planned with the funds available.

Mr. Gaydos said that part of the FTA concern was that if LTD backed off on its project, then American bus companies would take longer to make technological advances. He said that part of the problem with the design of the project, which relied on buses capable of automatic docking and automated travel in the bus guideways, was that the drivers of the vehicles could not keep track of what was going on on the bus and keep their eyes on the road at the same time. He raised concern that the Phileas vehicle was new technology that LTD would be taking on and having to do a lot of redesign work to make the project run correctly. He raised concern over how much stress the new vehicles would put on operations and maintenance. He suggested trying to get more FTA funding allocated and show the BRT project as a national demonstration.

Mr. Gant said that alternatives should be considered if it was financially irresponsible to continue with the project as planned. He stressed the importance of knowing if the project was currently financially viable.

Ms. Hellekson said the project could be done but could not be done without halting another planned project. She noted that other aspects of the project cost were significantly higher than expected and added that, even if more funding were allocated, some other projects might have to be discontinued to pay for BRT.

Mr. Pangborn said that FTA felt comfortable with a request for \$1.5 million in additional funding.

Mr. Hamm said that LTD should frame what it could and could not do with different amounts of money for the FTA so it could have more data to make funding decisions. He noted that LTD had asked for \$3.5 million.

Mr. Gant stressed the importance of being honest with the FTA and letting them know that the project could not continue without more funding allocated.

Mr. Pangborn said if a mixed fleet was proposed to the FTA, it would choose that option. He said if the Board did not want a mixed fleet, it should be very specific about that with FTA representatives.

In response to a question from Ms. Wylie regarding whether there was a way to lock the bid price on the vehicles, Mr. Pangborn said the only way to lock the price of the vehicles was to commit to a purchase.

Mr. Kleger said that if LTD gave up the rights-of-way gained for the project, it would never get them back.

Ms. Hocken raised concern about the idea of a mixed fleet but noted that it would provide an opportunity to test different vehicles. She said if a decision was made to go with a mixed fleet, then she wanted to see at least five American-made articulated buses and two to three Phileas buses. She reiterated her comment that the community needed to provide more input in light of the new costs. She said the reality was not what was sold to the community.

In response to a question from Mr. Gant regarding what amount could be accepted from FTA in order to not stress the system, Ms. Hellekson said \$3.5 million would help but there still would be stresses on the system. She suggested a 50/50 dual ownership deal. She noted that it was unlikely that the \$3.5 million figure could be achieved. Mr. Viggiano suggested that there be some discussion of further FTA research money in the future.

Mr. Pangborn and Mr. Viggiano outlined the vehicle options as presented in the meeting handout.

Mr. Pangborn noted that APTS had not been enthusiastic about accepting an order for fewer than five buses. He noted that the Phileas vehicle was new technology and there would be some risk in buying it. Additionally, adding left-side doors to a New Flyer articulated bus would be risky because that would negate the manufacturer's warranty. He said that a mixed fleet would present different risks with an increased commitment to both manufacturers.

Mr. Hamm said the Phileas bus had been tested on the road for over 18 months and would be operating on the road in Eindhoven, the Netherlands, by the end of the year. He said the only thing that would be different from the Dutch model would be the left-hand door. He acknowledged that there was an issue with not having any domestic support for the vehicle since the company was based in Europe.

Mr. Pangborn noted that a mixed fleet would present problems with differences in floor height and that the system would have to be designed to accommodate both. He stressed that whatever fleet was chosen would need to have left-hand doors.

Mr. Kleger suggested asking FTA for \$3.5 million and seeing whether that was granted. He said that if FTA was not in favor, a mixed fleet might be acceptable and staff should ask for \$2 million. He noted that there still would be problems with adding left-hand doors and platform height. He stressed the importance of not making a commitment until the Board was sure how much funding it could receive. He reiterated his desire to stick to the original goal as much as possible unless it was financially irresponsible.

Mr. Gaydos said that the mixed fleet would offer the most alternatives. He raised concern that even if the Phileas vehicle worked as desired, there was no guarantee that the vehicle would be picked up for manufacturing in the United States. He expressed his preference for no mixed fleet and using all Phileas vehicles.

Ms. Hocken said LTD was still justified in asking for \$3.5 million even if it went with a mixed fleet.

In response to a question from Mr. Viggiano regarding what figure the Board would use as a bottom-line amount for extra funding from FTA, Mr. Gant said staff should then come back to the Board for a decision.

Mr. Kleger said that even a mixed system should have at least two Phileas vehicles. He expressed his discomfort with a mixed system.

There was general consensus that the project would use all Phileas vehicles only if LTD could obtain \$3.5 million in additional funding from FTA.

In response to a question from Ms. Hocken regarding engine noise in the alternative models, Director of Maintenance Ron Berkshire said there would be some issues with noise if left-side doors were added to any vehicle that was used.

Mr. Gaydos reiterated his concern over a mixed vehicle system for the project.

B. Springfield Station

Mr. Hamm noted that there were problems with the approvals needed to complete the Springfield Station project.

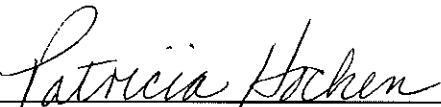
Facilities Services Manager Charlie Simmons said it was a critical time for the Springfield Station. Referring to the site plan, he noted that access points were dictated by the Oregon Department of Transportation (ODOT). He explained that the site plan required using 25 feet of the 50-foot setback near the Millrace. The Springfield City Council recently had enacted an ordinance that required a variance for using that setback space. He noted that the Springfield Planning Commission would discuss the issue at its meeting the following evening. He stated that LTD needed the variance to proceed with the construction of the site, and that there was a lot of support from the community and City staff.

Mr. Hamm said that many different interested parties in Springfield were pushing for transit-oriented development on that site. He commented that the variance should be very easy to get, given the benefit that the site would be to the City of Springfield, and hoped that would be the case. He suggested that one or two Board members should attend the meeting and speak in support of the project.

Mr. Simmons said that the site layout was crucial to the completion of the project. He said if the variance were not granted, then the design planning would have to go back to the beginning or go to another location.

ADJOURNMENT

It was noted that there were meetings scheduled for April 7 and April 14. There was no further discussion, and the meeting was adjourned.


Board Secretary

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