

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, December 17, 2003

Pursuant to notice given to *The Register-Guard* for publication on December 12, 2003, 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, December 17, 2003, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President
Susan Ban
Patricia Hocken, Secretary
David Gant
Dave Kleger
Virginia Lauritsen, Treasurer
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Recording Secretary

Absent: Gerry Gaydos, Vice President

CALL TO ORDER - Ms. Wylie called the meeting to order at 5:35 p.m.

ROLL CALL - General Manager Ken Hamm called the roll.

BOARD CALENDARS – Ms. Wylie thanked Jo Sullivan for developing a calendar format that was easy to use. She stated the annual LTD employee holiday potluck would be held on December 18, 2003, from 11 a.m. to 3 p.m. and invited Board members to stop by the office. She noted several future activities, including the Eugene and Springfield State of the City addresses, and encouraged Board members to attend.

Ms. Wylie, following discussions with Board members, directed staff to try to schedule all agenda items during the January 21, 2004, regular meeting rather than scheduling an additional work session, unless the number of agenda items for that meeting required that another date be found.

WORK SESSION

A. Executive Session – Ms. Hocken moved that the Board meet in executive session pursuant to ORS 192.660(1)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions; ORS 192.660(1)(h), to consult with counsel concerning the legal rights and duties of a public body with regard to litigation or litigation likely to be filed, pursuant to ORS 192.660(1)(f), to consider records that are exempt by law from public inspection; and pursuant to ORS 40.225, lawyer-client privilege. Ms. Ban provided the second.

The Board unanimously moved into executive session at 5:43 p.m. District Counsel Rohn Roberts was present for this discussion with the Board.

Upon a motion by Ms. Hocken and seconding by Mr. Kleger, the Board returned to regular session at 6:05 p.m.

B. Next Steps for Coburg Road EmX Corridor - Stefano Viggiano, Director of Development Services, said a joint meeting was planned with the Eugene City Council on February 23, 2004, to discuss, among other topics, the Coburg Road corridor. He said the Board should determine prior to that meeting what position it wished to take, such as leaving the decision to the City Council, making a specific recommendation, or simply recommending options that LTD would find acceptable.

Mr. Viggiano said that the stakeholder group, with which LTD had been meeting during the past year, had expressed strong concerns about the potential impact of bus rapid transit (BRT). He said a report on which the group could agree was close to completion. The report would consist of a listing of priorities for the corridor, concerns about potential impacts, and evaluation of each potential BRT option against priorities and concerns. Once the report was published, Mr. Viggiano said it would be distributed to the BRT Steering Committee and the Eugene Planning Commission, before decisions were made by the Board and City Council.

In response to a question from Ms. Wylie, Mr. Viggiano said that staff would make a presentation to the Eugene Planning Commission on January 26, 2004. He said there would be a February Board meeting prior to the joint meeting with the City Council. He referred to a memo dated December 17, 2003, which set forth details of three options for the Board's consideration:

- Continue with the process as planned
- Consider other corridors
- Consider an "EmX Lite" design for the Coburg Road corridor

Mr. Gant asked if the "BRT lite" option anticipated full build out at a later date. Mr. Viggiano said that was correct; "BRT lite" would be considered a step toward build out, which would require a new public process.

Graham Carey, BRT project engineer, added that the City was proceeding with a project on Coburg Road in 2004 to examine access management along the corridor. He said the process proposed by staff would wait a year for the City to complete its review, rather than LTD taking the lead. Mr. Hamm commented that the third corridor could be delayed significantly and LTD would have an opportunity to gauge the level of support and usage once the first corridor was in operation.

Ms. Ban commented that there was value in stepping back and assessing the entire system again given many of the variables, such as future location of the McKenzie-Willamette Hospital and other factors. She said the "hub and corridor" concept had driven the BRT model and after the strategic planning meeting she had a fresh perspective about building connections external to a congested corridor that would link important locations, rather than trying to establish hubs or corridors.

Mr. Viggiano said that one of the decisions the Board made was to allow each City to identify the EmX corridor it wanted to build next, assuming the selection was agreeable to LTD. He commented that the Coburg Road corridor was not necessarily LTD's first choice, but it was the route selected by the Planning Commission and Eugene City Council. He agreed that the location of McKenzie-Willamette Hospital was a major unknown factor.

Ms. Wylie agreed that it was appropriate to take a step back and consider options. Mr. Gant remarked that LTD would learn from its experience with the Franklin Corridor and apply that knowledge to future decisions.

Mr. Hamm said the interim period could allow LTD to do some incremental improvements in potential corridors, such as signal prioritization, that would benefit regular transit operations without calling it BRT. He said another aspect of the delay was that the budget reflected a best guess at the operating costs of the first corridor and the delay would provide LTD with more accurate figures based on experience.

Ms. Hocken observed that TransPlan was developed with some assumptions about BRT cost and timeline and the Board's decisions had a broader impact than just BRT because of its impact on those assumptions. She expressed some concern about opening a discussion with the City about corridors because other choices might not be as acceptable to LTD. She supported the idea of slowing down the process and learning from Phase 1, as well as the concept of EmX "lite."

Mr. Kleger agreed with Ms. Hocken's comments, based on the difficulties LTD had with identifying potential corridors. He said that the dynamics that exist around the issue of Coburg Road would exist for other potential corridors. He said he perceived benefits to EmX "lite" in certain critical areas. He said if decisions had to be made prior to the City's access management review, he wasn't certain that LTD was in a financial position to move ahead; therefore, it could be to LTD's advantage to delay.

Ms. Wylie asked what impact a slowdown would have on the overall timeline for BRT. Mr. Viggiano said that the schedule assumed a one-year delay in project planning because a decision could not be made until 2009 to have any prospects of funding. He agreed with Ms. Hocken's comments regarding the BRT assumptions in TransPlan and said an advantage of the "lite" design was that it would allow more corridors to be built faster, although that was a different direction than the one initially given by the Board.

Ms. Ban noted that the delay was not on the list of options. Mr. Viggiano responded that a one-year delay was implied in the option to continue the process as planned.

Ms. Ban said that discussions with the City Council should result in giving LTD as much flexibility as possible. Mr. Hamm said it was important to remember that when the 20-year plan was developed, it contained many assumptions about funding and the timeline, but the reality was that the financial picture had changed and all of the entities involved would need to discuss how realistic and feasible the plan was.

Mr. Viggiano commented that the City had pressed LTD to move quickly and expressed disappointment with delays in the Franklin Boulevard and Coburg Road corridors. He felt it was

important for LTD to identify the financial reasons for the delay so the commitment to BRT would not be in question.

Ms. Hocken added that LTD also should identify the desire to wait for the City's access management work to be completed as another reason for the slowdown.

EMPLOYEE OF THE MONTH - Mark Johnson, director of Transit Operations, introduced Bus Operator Bob Prine, LTD's January Employee of the Month. Mr. Johnson said that Mr. Prine had been employed with LTD for ten years and was a temporary supervisor, as well as instructor in the operator training programs. He said that Mr. Prine's guest services, which went far beyond the regular call of duty, were exceptional and prompted his nomination. Mr. Prine thanked the Board for his award and stated that he appreciated working at LTD.

AUDIENCE PARTICIPATION – Ms. Wylie determined that there was no one wishing to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **A. Consent Calendar** – Mr. Kleger moved adoption of LTD Board Resolution No. 2003-048: "It is hereby resolved that the Consent Calendar for December 17, 2003, is approved as presented." Mr. Gant provided the second. The Consent Calendar consisted of the minutes of the November 19, 2003, regular Board meeting.

VOTE The Consent Calendar was approved as follows:
 AYES: Ban, Gant, Hocken, Kleger, Lauritsen, Wylie (6)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Gaydos

B. West Eugene Parkway Findings – Catherine Susman, with the firm of Arnold Gallagher Saydack, et al., presented a resolution in response to the Land Use Board of Appeals (LUBA) remand that clarified the findings that were adopted in the last resolution that was appealed to LUBA. She said that nothing more would be added to the record, which was closed, and only three of the four remand issues affected LTD. She referred Board members to a revised Exhibit A to LTD Resolution No. 2003-049 that was distributed at the meeting. She said the revisions incorporated new language that acknowledged that there could be other issues related to TransPlan, but it was not necessary to respond to them for the remand. She said adoption of the resolution would respond to the LUBA remand and allow LTD's prior resolution to be acknowledged so LTD could act under that resolution.

MOTION Ms. Ban moved adoption of LTD Resolution 2003-049, A Resolution Responding to the Remand of LTD Resolution No. 2002-028. Mr. Kleger provided the second.

Ms. Hocken clarified that the motion was to adopt the revised Exhibit A to the resolution. Ms. Ban agreed that was the intent of her motion.

VOTE The resolution was approved as follows:
 AYES: Ban, Gant, Hocken, Kleger, Lauritsen, Wylie (6)
 NAYS: None

ABSENTIONS: None

EXCUSED: Gaydos

C. Vehicle Advertising Guidelines – Andy Vobora, Service Planning and Marketing manager, summarized the revised vehicle advertising guidelines that were included in the agenda packet. He noted that advertisements for alcohol were excluded in the current guidelines. Previous Board action in 1982 had allowed such ads; however, guidelines in contracts still had excluded alcohol products. He said the revised guidelines would not exclude alcohol products, which could present an opportunity for additional advertising revenue.

Mr. Gant expressed concern with opening the door to alcohol and tobacco product ads, which most transit districts prohibited. He said TriMet's policies prohibited alcohol, tobacco, and political ads and legal counsel had determined that was well within the law. He said that efforts to present a positive image for LTD and attract new ridership could be undermined by those types of advertising themes. He said the appearance of buses before advertising was the type of image that LTD wanted to promote, although he acknowledged the revenue from advertising. He said he did not want to see ads for alcohol and tobacco and disagreed with LTD's legal counsel's opinion that prohibiting such ads could result in legal challenges.

Ms. Wylie commented that LTD partnered with the City and County, school districts, the University of Oregon, and Lane Community College and all of those bodies were involved in efforts to prevent the use of alcohol and tobacco. She said the proposed revisions to advertising guidelines were counter to those efforts. She said she was supportive of the need for advertising revenue, but agreed with Mr. Gant's observation that the vehicles were more attractive and presented a better image without advertising.

Mr. Vobora said there was evidence that exclusionary guidelines had been challenged in other transit districts and staff were attempting to be consistent with current Board policies. He said that the proposed guidelines could be revised, based on the Board's discussion.

Mr. Gant related that customer response to TriMet's decision to eliminate advertising on some buses had been overwhelmingly positive.

Mr. Hamm said the Board could debate whether it wanted advertising on transit vehicles within the context of "branding" and revenue and public image.

Mr. Gant thought that efforts to establish a brand for LTD were confused with other advertising. He noted that UPS trucks never displayed advertising for other products or services.

Ms. Hocken identified two separate issues: whether to allow any advertising on buses, and whether to exclude ads for certain types of products.

Ms. Ban said she felt the proposed changes addressed the effect of advertising, instead of content, and were more defensible than prohibiting specific products.

Mr. Kleger said he was not in favor of advertising alcohol or tobacco products, but expressed concern about the legal implications of excluding them. He suggested that further research be done and a more detailed legal opinion provided that addressed separately the question of controlling content and the question of excluding alcohol and tobacco.

Responding to a general discussion among Board members about whether any action was required, Ms. Hocken stated that she felt it was necessary for the Board to take action to reverse its previous position if it wished to ban certain types of advertising.

Ms. Wylie asked Mr. Vobora to rewrite guideline #5 to better represent LTD's actual practices and bring the guidelines back to the Board for adoption. She said the Board would schedule a general discussion of advertising on buses as a future agenda item.

Ms. Lauritsen asked that the Board be provided with information such as phasing out advertising, revenue implications, current contracts, legal issues, and timeline when the revisions came back for adoption.

ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

Board Member Reports

Brief reports for the following meetings were included in the Board Report in the agenda packet.

Metropolitan Policy Committee – There was no December meeting.

BRT Steering Committee and Board BRT Committee – There were a December 2, 2003, Steering Committee meeting and a December 15, 2003, BRT Committee meeting.

Springfield Station Design Review Committee – There was no meeting.

Coburg Road Stakeholder Committee – There was a December 10, 2003, meeting.

Board Finance Committee – There was a December 15, 2003, meeting. Ms. Hocken reported that the committee, in addition to reviewing the Long-range Financial Plan, discussed the group pass rate and recommended an increase of 5.9 percent beginning in 2005. She said the committee also discussed the Special Service Policy and recommended charging a fully allocated cost rate. She said there also was some discussion of the advertising policy.

Board Human Resources Committee – There was no meeting.

Region 2050 Policy Advisory Committee – There was no meeting.

Statewide Livability Forum – There was no meeting.

General Manager's Report – There were no questions.

Monthly Financial Report – Ms. Hellekson said that the Board Finance Committee had discussed the three different budget scenarios, which laid out the two extremes of balancing the needs of the operating fund with the long-term needs of capital investment and a scenario in the middle. She said the committee had requested a fourth scenario that would "flesh out" what a BRT "lite" might look like on Pioneer Parkway with a phased approach to full build out to better manage the expenses. She said the scenarios would be presented to the Board at a January 2004 work session.

In response to comments from Mr. Kleger and Ms. Wylie, Ms. Hellekson said that payroll tax revenue was not declining and there was a one-time recovery from prior years that accounted for

\$100,000. She said the bulk of the funds were received four times a year; first quarter revenue was received in November 2003, and the next payment was expected in February 2004.

Ms. Hocken asked if the legislation to allow an increase to the payroll tax rate would apply to self-employment tax. Ms. Hellekson said it did.

Ms. Hocken noted that some of the budget scenarios had required approximately \$2 million in cuts in the operating budget over three years, and three years of advertising revenue was close to \$1 million.

Maintenance Building Expansion Update – There were no questions.

BRT Update – Mr. Viggiano referred to a handout that presented detailed information about the Franklin Boulevard corridor in response to a request from the BRT Committee to provide the Board with more information on the project. He said that updates would be provided on a regular basis.

Springfield Station Update – Charlie Simmons, Facilities Services manager, reported that construction of the project was about one-third completed. He said a media event hosted earlier in the day by LTD was held to focus attention on the retail space and redevelopment of downtown Springfield and generate interest from potential tenants. He said the event was very successful and congratulated those who were involved.

Mr. Hamm said that the project had stimulated partnership, ownership, and pride in downtown Springfield.

Correspondence – There were no questions.

B. Monthly Department Reports – Mr. Vobora displayed concept drawings that represented various color palettes that were being considered as part of the branding process and invited Board members to review them and provide feedback to staff.

C. Monthly Performance Reports – There were no questions.

ADJOURNMENT

The meeting adjourned at 7:45 p.m.



Board Secretary