

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
JOINT MEETING WITH EUGENE CITY COUNCIL

February 23, 2004

Pursuant to notice given to *The Register-Guard* for publication on February 19, 2004, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a joint meeting with the Eugene City Council on Monday, February 23, 2004, beginning at 5:30 p.m., in the Council Chamber, City Hall, 777 Pearl Street, Eugene.

LTD Board

Present: Hillary Wylie, President
Gerry Gaydos, Vice President
Susan Ban
Dave Kleger
Pat Hocken, Secretary
Virginia Lauritsen
Ken Hamm, General Manager
Absent: David Gant

City Council

Present: Bonny Bettman, Eugene City Councilor
George Poling, Eugene City Councilor
David Kelly, Eugene City Councilor
Nancy Nathanson, Eugene City Councilor
Gary Papé, Eugene City Councilor
Jennifer Solomon, Eugene City Councilor
Betty Taylor, Eugene City Councilor
Scott Meisner, Eugene City Councilor
Dennis Taylor, City Manager
Absent: Jim Torrey, Mayor

Welcome and Introductions - Ms. Wylie thanked the Council for its invitation to a joint meeting and opened the LTD Board meeting. She said that Board members appreciated the opportunity to share information on recent transit activities and discuss transportation issues with the Council. Board members introduced themselves and described the subdistricts they represented.

Ms. Wylie introduced LTD General Manager Ken Hamm and explained that Board members would speak briefly on an aspect of LTD's activities and answer questions from Council members.

Bus Rapid Transit Presentation - Ms. Hocken said that each presentation was shaped by the areas of interest or concerns expressed by Council members during individual conversations with Board members. She said that the bus rapid transit (BRT) presentation would give a brief update on the Franklin and Pioneer Parkway corridors and then focus on Coburg Road BRT planning activities.

Ms. Hocken said that some preliminary construction activities on the Franklin Corridor had begun and consisted of undergrounding utilities and preparing trees along the route to minimize disruption

to them during later construction. She said the remaining construction would begin in 2005 to coordinate with delivery of the BRT vehicles in early 2006. She said that LTD initially had considered purchasing the vehicles from a European manufacturer; however, a North American manufacturer, New Flyer, was able to deliver a BRT vehicle with many of the desired features at a lower price. She said that New Flyer was a Canadian company with a manufacturing plant in the United States. She referred Council members to information in their agenda packets on the new vehicles.

Continuing, Ms. Hocken said that a public process with stakeholder groups had been completed for the Pioneer Parkway Corridor and preferred alignments had been identified for most of the corridor. She said the Springfield City Council would make decisions on those during the next month. She identified the close working relationship with PeaceHealth to design the corridor to meet the needs of the new hospital as one of the most exciting aspects of the project. She said that LTD was applying, as part of the local United Front request, for \$4 million in federal funding for the BRT vehicles and \$31 million in construction funds for the Pioneer Parkway Corridor.

Ms. Ban related that Coburg Road was identified as the next BRT corridor based on a recommendation by the Eugene City Council, which was adopted by the LTD Board. She referred Councilors to the *Coburg Road Bus Rapid Transit Corridor Study*. She said the study described the process by which a stakeholder group, comprised of property owners, business owners, neighborhood residents, and representatives of the Eugene City Council, LTD Board, and Eugene Planning Commission, considered the sections of the corridor and evaluated options. She said the study was not a recommendation; it presented a number of viewpoints and a fair analysis of the complications of a Coburg Road route. She indicated that a major factor in the initial selection of Coburg Road was that it linked the first two corridors to create a full-circle BRT system.

Mr. Poling acknowledged a number of stakeholder group members who were in the audience and described the year-long process the group had gone through. He said the process was challenging and there were a number of areas of disagreement. In particular, he said, the group discussed the physical constriction of the lower part of Coburg Road and the City's requirements for redevelopment setbacks, which would create major impacts on businesses in order to accommodate BRT. He said another concern was the impact on left-turn access to both commercial properties and neighborhoods. He expressed some disappointment that the group did not make a recommendation on the Coburg Road route or an alternative route. He said there was also some discussion of BRT "lite" on the lower end of Coburg Road that would not require a dedicated lane, but acknowledged that the Council supported BRT that would have a dedicated lane for a majority of the route.

Ms. Hocken stated that LTD's long-range financial plan matched resources to the timeframe during which they would be spent. She said LTD received capital funds that required a local match. Funds earmarked for the Franklin Corridor also required a local match. She said that earmarked funds were requested for the Pioneer Parkway Corridor as well. She indicated that it was unlikely that funds also would be provided for the Coburg Road Corridor in the next authorizing bill and, even if they were, accumulating the local match was unrealistic. She said the next funding opportunity would occur in six years and therefore construction was not contemplated until 2010, with the route in service in 2012.

Ms. Wylie said construction of the Springfield Station was well under way and the shape and form of the facility were very visible. She commented that the station would be a beautiful addition to the system and a reminder of the Phase I BRT connection between downtown Eugene and downtown Springfield.

Mr. Papé remarked it was his understanding that the BRT pilot corridor on Franklin Boulevard would go into service and be evaluated during a test period before any additional corridors were considered, but it now appeared that Phase II was moving forward. Ms. Hocken said that the reason LTD had moved forward in Springfield was the opportunity presented by the Pioneer Parkway extension and road construction and the Springfield City Council's interest in having BRT be a part of the new construction and planning for the PeaceHealth facility.

Mr. Papé asked if the Springfield corridor could stand alone. Ms. Hocken replied that it would work better with the Eugene loop, but it could work by itself, so delaying the next corridor was not an impediment to moving forward with the Springfield corridor.

Mr. Papé asked if funding was available for the pilot corridor and if the BRT vehicles were a reality. Ms. Hocken replied that the pilot corridor funding was in place and that New Flyer, the BRT vehicle manufacturer, had a hybrid vehicle similar to the BRT vehicle design that was in operation in the Seattle transit system. She said the new design aspects of LTD's BRT vehicle were the left-side doors, a larger size, and a guidance system. She said that LTD's recently purchased 60-foot standard articulated buses were similar in feel to the BRT vehicle. Mr. Hamm added that New Flyer produced the standard articulated buses and also produced hybrid electric-powered vehicles and test results were so good that Seattle had just ordered 200 of the vehicles. He said that the guidance system was still being tested at the University of California-Berkeley and would probably not be available when the BRT vehicles went into service, but could be added later. He said that he was confident the vehicles would be ready on schedule, with a prototype available in mid-2005; however, LTD's fallback position could be the use of the regular articulated buses, with some minor design changes. He expected to conclude negotiations with New Flyer on a firm delivery price within the next two weeks.

Mr. Meisner commented he did not recollect a discussion about a downtown-to-downtown pilot route that would be tested for a time before the system was expanded, but rather a 20-year development plan for a system. He said that the time required and expense just to achieve a reduced Phase I were issues for him and asked where the system would be in 20 years. Referring to the complications of a route on Coburg Road, he asked Board members to respond to how that situation would be in 10 years, when route construction was planned. He also asked if lack of a guidance system on the BRT vehicles meant they would not be able to use a guideway system with narrower lanes.

Ms. Hocken replied that LTD was committed to a full system and was working as quickly as it could within its funding constraints. Ms. Ban added that expansion of the system also was based on opportunity, such as was presented with the Springfield corridor. She said the 20-year plan needed to start with getting a BRT route in operation to develop momentum for the rest of the system and LTD had to balance the need to keep the fixed-route system operational and functioning while building an infrastructure for the future that would meaningfully address congestion problems.

Mr. Meisner suggested that the LTD Board integrate the concepts Ms. Ban mentioned into a re-examination of its long-range plan so the public would better understand the issues.

Ms. Hocken cautioned that the Council should not get the impression that LTD was going to abandon the idea of a Coburg Road Corridor; rather, the Board was looking to the Council for advice.

Mr. Kelly remarked that discussions about testing a pilot corridor were based on an initial plan for a corridor that ran from Thurston to West Eugene and did not apply to the downtown-to-downtown

route, which was not sufficient to provide realistic feedback about how BRT ultimately would work. He noted that TransPlan recognized the importance of transit, but he did not think the community had decided, as underscored by the Coburg Road conflicts, whether it wanted a decent transit system that would serve transportation needs through the next several decades. He stated that as time passed he saw less commitment to BRT from the community and LTD.

Mr. Kelly observed that the *Coburg Road Study* omitted the policy goal of at least 80 percent exclusive right-of-way for the system, as stated by Council resolution. He said that BRT should be abandoned and other options considered if that amount of exclusive right-of-way could not be achieved. He added that the public would adapt to loss of left-turn access along Coburg Road and while he understood why the stakeholder group had looked at alternative routes, BRT corridors should be major arterials. He expressed concern that the Coburg Road schedule was constantly changing and the timeline extended.

Ms. Solomon suggested that a Highway 99 corridor to the airport could be considered instead of the Coburg Road Corridor. She speculated that in ten years development in that area would make the route productive and because Highway 99 was a State road, perhaps the State could assist with funding. She asked if the selection of Coburg Road as the next corridor could be changed. Ms. Ban said the selection of Coburg Road was made by the City Council and any change would need to be initiated by the Council.

Ms. Nathanson pointed out that when the Council was considering BRT routes, it used considerable data on land use patterns, current and projected population density based on land use and zoning, expected infill and redevelopment, and anticipating ridership based on employment patterns and schools. She said that the selection of Coburg Road was based in part on an objective analysis and it would be interesting to revisit those discussions.

Speaking to the BRT system in general and Coburg Road specifically, Ms. Nathanson asked if a system should be planned that would influence land use or respond to current and anticipated land use and zoning. She said the answer to that question would drive whether LTD moved ahead quickly to get something in place or waited to see how infill and redevelopment occurred. She commented that putting something in place already was complicated by contradictory requirements from the City for commercial and industrial development. She said that from her perspective as a bus rider, design elements that were most important to produce results were frequency of service, speed, appearance, and ease of use.

Ms. Bettman asked how much had been spent on BRT to date and how much was being requested in federal funds. Ms. Hocken reiterated that \$31 million was being requested for the Pioneer Parkway Corridor construction and \$4 million for BRT vehicles for the pilot corridor. Mark Pangborn, LTD assistant general manager, responded that major expenses for planning and design of the first BRT corridor had been approximately \$3 million, including both the federal share and local funds. He said that the total cost for Phase I design, construction, and vehicles would be approximately \$22 million for four miles of corridor.

Ms. Bettman stated her opinion that BRT without a dedicated right-of-way was just bus transit and not worth the cost of millions of dollars. She agreed with the suggestion that the Council reconsider its selection of Coburg Road and look at other routes that could offer a dedicated right-of-way and better connections to high-density neighborhoods. She felt there were other corridors where public investment in infrastructure could stimulate private investment.

Mr. Kelly agreed with Ms. Solomon's suggestion to reconsider other corridors. He said that Coburg Road needed to be a part of the 20-year vision and stated his concern that waiting to implement that corridor would create even more difficulties. He said he supported consideration of other routes if that would establish a second corridor in Eugene more quickly and with more exclusive right-of-way than the Coburg Road option. He asked the city manager and LTD to inform the Council as soon as possible about what steps could be taken to efficiently reconsider routes for a second corridor.

Mr. Meisner said he would not object to the Council's reprioritizing and directing LTD to consider a Highway 99 route. He expressed regret that the amount of effort that had gone into the Coburg Road corridor would no longer be useful if another route was chosen and the Coburg Road route was pushed even farther out on the BRT timeline. He noted that earlier work on a possible 6th Avenue/7th Avenue corridor had determined that the route through downtown was all but impossible and there was unanimous and universal resistance to an 11th Avenue corridor. He said he was willing to reconsider the Council's priority direction to LTD and cautioned that it would be naive to assume any other route would be easy.

Service Planning Presentation and Downtown Transportation Issues Presentation -
Ms. Hocken stated that approximately 65 percent of LTD's revenues were derived from the payroll tax and, because of the local economy, the amount of payroll tax revenue had been flat for the past two or three years. She said that LTD's expenses were growing at the rate of 4-6 percent a year and a number of cost-cutting measures had been imposed, such as laying off some administrative staff and cutting some service routes. She anticipated that over the next three years \$1.8 million in service cuts would be achieved. She said the first of those cuts LTD currently was considering represented \$500,000 of that amount and the remaining cuts would be dependent on a number of factors, including a turnaround in the economy, increased payroll tax revenue, and the results of union contract negotiations. She said another factor in LTD's budget was the need to provide a 20 percent local match from the payroll tax revenue in order to spend federal formula funds on capital projects.

Mr. Kleger commented that although LTD was faced with the need to reduce costs, it had held services harmless to date and trimmed costs in all other areas; it was forced to cut services beginning in the fall of 2004 and implement adjustments to group pass fares. He said the dilemma was to cut costs in ways that had the least impact on the fewest number of people and LTD was holding open houses and public hearings on the proposed cuts to obtain feedback from the public. He encouraged the Council to provide their input as well.

Mr. Kleger offered the Council good news about a recent capital expenditure. He reported that the automatic vehicle location/automatic passenger counter radio system appeared to be successful and would provide LTD with accurate information about ridership patterns by geographic location and time of day that was reported automatically by computer to a central location. He said that eventually the system would be able to provide real-time information that customers could access to identify what buses served an area and the arrival times at specific locations.

Mr. Gaydos discussed the impact of the Central Area Transportation Study (CATS) on LTD operations. He agreed with Ms. Nathanson's assessment that frequency, timeliness, and running times were major factors in customer satisfaction. He said that when LTD built the central downtown Eugene station, it was depending on 10th Avenue being a one-way street and if that changed it would cause some operational problems. He stated that LTD would serve the federal courthouse once decisions were made about the street design and suggested that courthouse service could be part of the Breeze service package. He said once improvements in the courthouse

district were designed and completed LTD would be better able to respond with a service plan. He noted that the Breeze service had been very successful and said that LTD had performed significant due diligence in its effort to obtain a "green" vehicle, but was struggling to keep the Breeze vehicles on the road. He said that the fare would continue to be 25 cents.

Mr. Gaydos concluded by reminding the Council that BRT and LTD were part of the community's transit system and it was not a question of LTD versus the City of Eugene or the City of Springfield. He said that LTD was trying to develop the best transportation system possible in partnership with the community. He noted earlier expressions of concern about extended timelines and expenditures and warned that shifting priorities again would cause further extensions and additional expenses. He asked for community support and partnership with LTD to move the transportation system forward.

Mr. Kelly said that he would support BRT on Coburg Road if LTD could guarantee an exclusive right-of-way in keeping with the Council resolution. Mr. Gaydos replied that LTD would be happy to do that if Councilors could convince community members to be supportive.

Mr. Kelly complimented LTD on the quality and coverage of daily service. He also noted the important community need that was filled by service to transit-dependent riders. He said the Council needed to support LTD's fulfillment of community need and he was distressed by the need to cut services. He suggested that the entire model of LTD's operating revenue should be collectively rethought in the not-too-distant future if the community wanted good transit and in many cases a transit dollar would save many road dollars.

Mr. Kelly asked if the development of BRT affected bus operations and bus operation funding and had caused in part the service cuts. Ms. Hocken said that funding for BRT came from a different source than operational funding and BRT had no impact on bus operation or proposed service cuts.

Ms. Taylor expressed concern about the service cuts and asked if funds could be transferred from one source to another or if the Breeze could provide service to those areas where service cuts were proposed. Ms. Hocken explained that capital funds could not be used for operations and that the major cost associated with having a bus on the road was the cost of the operator, not the vehicle; therefore, using another vehicle such as the Breeze to serve an area would not reduce expenses.

Ms. Taylor suggested that LTD could purchase taxis to serve areas affected by cuts in the south hills.

Ms. Nathanson complimented LTD on the increase in service to special events in the community. She noted the service as becoming very popular with organizations and helped to reduce traffic and parking problems. She asked if LTD had considered working with groups of businesses like at Valley River Center or business parks to market the group pass program. She commented that there were no surprises in the ridership demographic statistics and asked what segment of the ridership population LTD thought was most likely to be influenced by efforts to increase ridership. Referring to earlier comments about rethinking operating revenue sources, she asked if LTD had considered re-examining its mission or objectives in terms of cutting out some routes entirely in order to focus on increasing frequency, revenue, and ridership on other routes.

Ms. Wylie said that LTD had been reviewing productivity during the past two years, which resulted in reducing routes that had inadequate ridership and focusing on routes with increased ridership. She said this was difficult because some of the routes that were cut represented services that some

people desperately needed, but there weren't enough people to make the route productive. Ms. Hocken said one of the reasons LTD was using articulated buses was that larger-capacity buses could carry more passengers but still had the cost of only one operator, thus retaining the ability to serve high ridership routes and possibly making revenue available to serve the less popular routes.

Mr. Meisner observed that making decisions about where ridership was now could be eliminating the future as building, housing, and tenancy patterns changed. Referring to earlier statements that BRT did not impact bus operations funding, he noted that the 20 percent match for federal construction funds for BRT did come from payroll tax revenues, which were also the source of funding for operations. Ms. Hocken agreed that was correct and said that the need to maintain sufficient funds for operations was a factor in delaying the Coburg Road Corridor. She added that LTD had a substantial amount of capital reserves when it went into the BRT project because it had set funds aside for many years during which payroll tax revenues were more than adequate to fund operations.

Mr. Meisner said that the County and local jurisdictions currently were involved in discussions about how to equitably share road taxes and he suggested that LTD should be involved in those discussions to determine how road tax funds could be shared to the benefit of all residents of Lane County.

Mr. Papé asked if the buses providing service to University of Oregon Autzen Stadium football games made a profit. Ms. Hocken explained that the University of Oregon set the fare charged to customers and LTD charged the University the actual cost of providing the service. She said that agreement could be renegotiated; however, LTD felt that as a member of the community it was important to provide the service to help resolve traffic and parking problems at the stadium on game days and the current arrangement covered the cost of that service. Mr. Hamm added that as a public entity LTD could not be in the business of making a profit or competing against private charter services and it recovered its costs for the service while maintaining a community partnership with the University.

Mr. Papé commented on the recent newspaper article on bus service to McKenzie Bridge for a nominal fare. He questioned whether the fare could be increased incrementally. Mr. Kleger mentioned that an earlier experiment with a zone fare system was an administrative headache and encouraged a large amount of fare cheating; the Board had decided at that time that the cost to administer the system was too high.

Mr. Papé noted that there was a 20 percent match required for construction of a RideSource administrative and maintenance facility. He asked why LTD was constructing a separate facility when the existing LTD maintenance facility seemed more than able to accommodate RideSource. Ms. Hocken responded that RideSource was the paratransit operation that LTD was required by federal law to provide as equivalent service to those who were unable to use the fixed-route system. She said current RideSource facility was in a rented and inadequate facility that was no longer available. Mr. Kleger said a grant from the State's special transportation fund was paying for at least 50 percent of the cost of the facility and the property LTD had purchased also could be used in the future as the starting point for buses serving the west side of town, thereby reducing expenses.

Ms. Bettman said she wanted to see LTD adopt a new theme, such as "service first" or "bus rides are us" because that was its primary mission. Referring to a policy question regarding whether the City had a role in financing bus service or capital improvements, she stated that she had a problem

with LTD's existing framework in which the Board was not elected. She said the Council could only provide input under the present structure.

Ms. Bettman asked if LTD spent the payroll taxes from Eugene employers in Eugene. Diane Hellekson, LTD director of Finance and Information Technology, explained that the businesses that paid payroll taxes supported an infrastructure system that provided community transportation. She said the revenue was not divided into pots of money by geographic location and then invested because that would not put the service where people needed it. She stated that businesses paid the tax, but the main users of the system were workers, residents, and students so the system would be out of balance if funds were used primarily to benefit those who contributed to the revenue.

Ms. Bettman asked if the new automated system would allow LTD to track passenger origin and destination and compare that data to revenue collected in each jurisdiction. Mr. Kleger said there were limits to the ability to use that information as Ms. Bettman had suggested because the system could not track when a specific passenger got on or off the bus. He said that LTD periodically conducted an origination/destination study that provided useful information, but those studies were very expensive.

Ms. Bettman said another issue for her was that funds that could be used for operations were shifted to capital improvements. She reemphasized that she thought service was of the utmost importance.

Ms. Solomon asked if the RideSource maintenance and administrative needs could be accommodated in the new yard the City had just purchased as part of the Public Works strategy on Roosevelt Boulevard. City Manager Dennis Taylor said that part of the facility was leased out for other purposes, but the City was always looking for ways to partner with other jurisdictions to provide better service.

Ms. Wylie said that LTD had explored some joint facility use with the State for the RideSource program and was not able to work out an arrangement. She thanked the Council for meeting with the LTD Board and said LTD believed strongly in cooperation and coordination and that it was important to involve communities in the transit planning process.

ADJOURNMENT – The meeting adjourned at 7:20 p.m.


Board Secretary

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