

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING/WORK SESSION

Monday, April 19, 2004

Pursuant to notice given to *The Register-Guard* for publication on April 16, 2004, 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, April 19, 2004, beginning at 2 p.m., in the Lane Transit District Board Room, 3500 East 17th Avenue, Eugene.

Present: Hillary Wylie, President, presiding
Susan Ban
David Gant
Gerry Gaydos, Vice President
Pat Hocken, Secretary
Dave Kleger
Virginia Lauritsen, Treasurer
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board/Recording Secretary

Call to Order - Ms. Wylie called the meeting to order at 2:08 p.m. She thanked everyone for taking the time to be there and said that the agenda items were important to the Board and LTD in determining where the District would go in the future and how the Board would conduct its business. The Board first would work on Board working agreements: how the Board members worked with each other, how Board policy was developed, and how the Board related to the general manager. She said she would like to come away with some agreements about that so that in the future, even if the Board members were not of one mind on issues, they at least would have some agreement on policies. The second part of the agenda was a discussion about the EmX (bus rapid transit, or BRT) system. One of her fears was that staff and the Board were driving each other and no one was recommitting on the goals and priorities. Ms. Wylie thought that a recommitment at that point was very important, so that the Board would know that they had given direction and that the staff was affirmed about the direction from the Board. She asked for good discussion from all Board members. She introduced Margo Helphand, the facilitator who would help the Board with this discussion.

Board Working Agreements Discussion: Ms. Helphand said she had been able to talk with almost all the Board members individually, and it appeared that they had been working extremely well together in a very team-oriented manner, and now wanted time to articulate how they wanted to work together, what they would do when there was not a unanimous vote or when there was a concern about something in the organization, and what kinds of agreements they wanted to make as it pertained to being on a public board.

Ms. Helphand first discussed traits of successful boards. She then led the Board through a discussion of working agreements. The Board agreed on a draft list of Working Agreements, which Ms. Helphand said she would revise and take back to the Board for final approval. The Working Agreements included a Board job description, meeting operational agreements,

communication agreements, annual planning and evaluation, orientation of new Board members, and the role of the Board president.

The Board also agreed that Board members can state Board-adopted policy decisions, but must make it clear when they are talking about a Board position versus their personal opinions. When the Board has taken a position, Board members can speak for the Board in relaying that decision. It was agreed that Board members could state publicly that they had been in the minority opposed to a Board decision, but that it also was important not to send mixed messages about Board decisions to other units of government. It was suggested that when the Board made decisions, they also should know when the next major decision point for review of that item would be.

The Board took a break from 3:53 to 4:05 p.m.

In discussing Board committees, some Board members felt that they were not always aware of the work going on at the committee level. Although some Board members believed that it was valuable to have committees to reduce the time the full Board spent in discussing certain issues, there was some feeling that full Board discussion would be just as valuable. With three new members expected on the Board at the beginning of 2005, it was thought that holding full-Board discussions could be helpful in the new members' orientation.

There was some discussion about staff's role in helping with the search for new Board members. Government Relations Manager Linda Lynch explained that staff generally sent an informational letter to Chambers of Commerce and other community groups letting them know of the vacancy and how individuals could contact the governor's office if they were interested in applying. It was suggested that interested persons also could contact the LTD Board president or other Board members to find out the requirements of the position.

In discussing the Board's expectation of its relationship with staff, it was expressed that operational issues did not need to be discussed in detail with the Board. However, major policy issues or issues with significant implication for the direction of the organization should involve a full Board discussion, possibly at a work session, to walk through all the issues and the significant impacts. One Board member wanted alternatives to be listed in the staff recommendation, and one Board member wanted the recommendation to be from the general manager rather than from "staff." The rest of the Board expressed comfort with the current process. The Board members also were comfortable with their ability to place items on the agenda by going through the Board president. Written materials were seen as clear, detailed, and well presented.

The Board took a break from 4:55 to 5:07 p.m.

EmX System Development: Development Services Director Stefano Viggiano used a PowerPoint presentation to present historical information about the development of bus rapid transit (BRT) at LTD; to review the current status of LTD's BRT system, now named EmX; and to present the following key questions for Board discussion about the future of the EmX system:

1. Vehicle procurement
2. Franklin corridor cost
3. Pioneer Parkway – design-driven versus budget-driven design process
4. Comprehensive BRT versus incremental development
5. Funding – how aggressively to seek federal funds
6. Funding – which category of New Starts funding to pursue
7. How to proceed with the next Eugene corridor

1. Vehicle Procurement. Assistant General Manager Mark Pangborn discussed vehicle procurement, including the desired characteristics of the EmX corridor vehicle and the current status of vehicle procurement.
2. Franklin Corridor Cost. Mr. Pangborn also outlined costs for property acquisition and construction along the Franklin Corridor.
3. Budget Options. Mr. Viggiano discussed the differences between budget-driven and design-driven budget options for the Pioneer Parkway EmX Corridor, and the advantages of each of the options. He said that a decision would have to be made within the next year. Ms. Ban thought that there were items that were budget driven for which there might be other options, but there also were design elements that were non-negotiable. She thought that it was not possible for projects of this size to be totally budget driven, and that was why contingencies were built in. Mr. Gant said that once a project moved away from budget driven in any aspect, it no longer was budget driven. Ms. Wylie thought that although LTD needed to look for ways to save money, the integrity of the project was very important, as well.
4. Comprehensive versus Incremental Development. Mr. Viggiano explained that these were key questions being asked for the Pioneer Parkway Corridor and beyond. Ms. Ban noted that that the disadvantages of incremental development included the political cost of waiting, and later development in bigger cities had been more painful than if it had been done earlier. Ms. Hocken thought that another question for Pioneer Parkway was whether to buy right-of-way now. She thought that LTD did not necessarily have to wait for the third corridor to buy. Mr. Viggiano said that the BRT Steering Committee had suggested purchasing right-of-way now if the opportunity existed.

It was determined that these issues would be brought back to the Board for further discussion.

The Board took a break from 6:35 to 6:45 p.m.

5 and 6. Solicitation of Federal Funds for BRT. Ms. Lynch outlined these issues for the Board. Mr. Gaydos thought it was important to be successful in the first corridor in order to seek federal funds for succeeding corridors. There were some uncertainties about New Starts funding, but it was seen as an appropriate source to investigate.

7. Next Eugene Corridor. The next Eugene corridor would be the third EmX corridor. The question was raised whether the Board should take a bigger role in corridor selection, or continue to let the cities take the lead. This issue would come up again in the next year or so. The earliest that LTD would have construction money for the third corridor would be 2009, because no funding was being requested in the current funding cycle. The Eugene City Council had pulled LTD back from West 11th Avenue and somewhat from the Coburg Road Corridor. It would be necessary to determine the Board's priorities and how strongly they were committed to them.

Ms. Hocken said that it was mentioned at the meeting with the Eugene Council that Eugene City Manager Dennis Taylor had some direction to meet with Mr. Hamm and decide on some direction. She questioned whether this was the right time to do that, because of Board and Council turnover. The earliest LTD would want to get started planning the third corridor would be in 2005, for construction in 2009. Funding would be requested as part of the next transportation bill in five years.

Mr. Kleger asked about the implications of slowing down EmX development on TransPlan compliance. Mr. Viggiano said that staff would have to research that. He did not know if there were any sanctions, and said that adjustments would have to be made in the plan review if the community was not meeting its goals. Senior Strategic Planner Lisa Gardner said she thought that ultimately it could result in a determination that the area was not meeting goals and could lose its federal funds, so maybe the STIP projects would not be approved. She said that this was not well defined at that point. Ms. Hocken noted that the third corridor was not in the long-range plan for funding in the next eight years.

Mr. Gant wondered if LTD already had spent \$1 million on a study that would gather dust. Mr. Viggiano replied that the study all was done in-house, and that possibly \$100,000 in direct costs had been spent, but not \$1 million.

Mr. Gaydos said that he agreed with Ms. Hocken and Ms. Ban, understanding that LTD did not have the capital funds projected, that funding timing had to be thought through. He did not want to give up totally on the Coburg Road corridor, so he personally would say that the Board should support continued consideration of the Coburg Road Corridor, but he did not know what that meant at that point. Until he knew what that meant, he said, it was difficult for him to give any direction, but he still continued to support Mr. Hamm being able to meet with Mr. Taylor.

Ms. Ban liked the idea of continuing to partner in the policy direction, so it was shared by LTD and the City Council. She suggested reviewing the criteria for why the corridor was selected and then determining if that still mirrored the District's best values for the end goal for the corridor or for the whole system, if other issues emerged, and whether there were other ways of conceptualizing it. She said that this could be a robust conversation, and thought that if there would be policy change, it would be made with both the Council and the Board on board.

It was agreed that there would be no motion yet, but that a discussion of the timing would be placed on the agenda in May or June, so that Mr. Hamm could let Mr. Taylor know when the Board would be considering the issue again. The intent of the next discussion would be to become clear about whether the Board would take action or not.

Mr. Hamm said that although the large capital expenses for additional corridors had been pushed out beyond the eight-year window, there were annual, incremental planning pieces in developing that corridor that still were in the budget. Money was programmed each year for analysis or other planning.

Ms. Helphand summarized the discussion so far. In going back to the assumptions, in the spirit of the decision-making agreements, she said that the Board had agreed to make decisions and stay the course unless those decisions changed and became new policy decisions. The Franklin Corridor was proceeding as planned; the Pioneer Parkway Corridor was proceeding as planned, with the comprehensive design, except where LTD had learned that it had to fall back on incremental build-out, contingent on the approvals and some of the smaller decisions along the way; and the third corridor would be discussed in May or June.

Ms. Helphand asked each Board member to comment about the assumptions and any additional questions they might have, so that staff would know if the assumptions reflected where the Board was.

Mr. Kleger said that obviously the District would keep working on vehicle procurement. He was glad that what looked like a \$2 million vehicle was down under \$1 million, even though it

was not quite the same vehicle. For the Franklin Corridor, he said, it was going to cost what it was going to cost, and that as it went over estimated costs, the Board would have to make some priority adjustments, but that was just part of the process. For Pioneer Parkway, he had serious concerns about the choke point on MLK Jr. Blvd. He was uncomfortable about spending a lot of money to buy a traffic-delayable system. Regarding comprehensive versus incremental BRT, Mr. Kleger said that he would buy incremental if he had a pretty fair indication that he could go on to a "traffic-nondelayable" system when that was needed, even though that would cost more than a comprehensive system would if done right away. He stated that comprehensive development right away would be cheaper, with a longer-term benefit, and would look better the longer it lasted, which was important to him. He said that seeking federal funds was an issue of political timing. If LTD did not have partners in this effort, he was not so sure the District should do so, because of the penalties of trying to back out later. He did not think he had enough information yet on New Starts funding. For the next Eugene corridor, he said he would leave Coburg Road on the back burner for a little while. He said that there was too much political flux, and that the Board should reaffirm in the next few months that this was where they were, especially in order to be straight with their partners.

Ms. Hocken said she thought LTD was in a very good place on vehicle procurement, and wished that they had been at this place six months ago. Regarding Franklin Corridor cost, she thought the District might have to do some modification because of cost, but she did not want cost to be the driving force that interfered with the design functioning the way it should. She said it was the same issue for Pioneer Parkway; there may be some things that LTD would have to give up, but she did not want to go in with a definite number, especially since it was only a preliminary estimate at that point. The Board had been discussing stewardship of the public resources and could not ignore that, so at some point the project might have to be reduced. However, she thought LTD should get as much of the project as it could and possibly stretch things a little if necessary. She thought that the last four items were related to the next corridor, and she would not be around when those decisions would be made. As a philosophy, though, she said she was very supportive of starting out with a comprehensive BRT system as a goal and then backing away from that if necessary because of funding or political issues. She said that if the Coburg Road Corridor, or any other Eugene corridor, was put on the back burner, it would be awhile before LTD had to look at the funding issues.

Ms. Lauritsen said she still thought the buses were costing LTD too much, and she did not like being the first one to buy anything. She expected that the Board would be talking about the \$1.2 million for the Franklin Corridor at its next several meetings. She thought it looked like a good time to go "lite" on that design, and the same thing on Pioneer Parkway. She said that if LTD was going to go forward with Pioneer Parkway, there had better be a budget, because already at \$40 million, LTD had to pull \$8 million out of its operating budget, which she thought would be a tough one. She said she would go "lite" all the way down the list.

Ms. Wylie said that she was disappointed that LTD did not have the rights-of-way a couple of years ago. She stated that purchasing rights-of-way should be a priority in the future because that would keep driving the cost up, which concerned her. She thought LTD had to find a happy medium between design and budget driven, maintaining the integrity of the project and still having reasonable budget consequences. Saying that, she said, she still supported comprehensive BRT. She thought that LTD needed to aggressively seek federal funding; she was in favor of using New Starts funding; and she thought it was wise to proceed fully with the Coburg Road Corridor. She wanted to see the whole system in place, but at the same time, she said, LTD needed to have community partners.

Mr. Gaydos said he was wondering what was going to happen when LTD lost the next three Board members, since there would be no one on the Board who had been there when BRT was conceived of. He said that information was important, so he wanted to listen to the sage advice of those who were there at the beginning. He believed that going to a committee of the whole and having work sessions about those types of items was really what the Board needed to do. He did not want to come to resolution that evening on almost any of the issues before the Board. The iterations of the vehicle procurement issues had been amazing to him, going from a dream vehicle to a practical vehicle, which probably was more reasonable. However, if LTD oversold the dream vehicle, they had to figure out how to deal with that issue. This was very important to him. Franklin Corridor costs obviously were something that the Board would have to look at. To him, comprehensive BRT meant exclusive right-of-way, and he said he was a firm believer in exclusive right-of-way. He thought that Mr. Kleger was right, that this was the only way the system would compete in the future. He said that the most important component was a 10 to 20 percent gain, but he needed to be able to see that through. Mr. Gaydos said that he wanted to be successful in seeking funds, so BRT Phase 1 had to be a major success and then he would feel much better about being aggressive about seeking funds. He said he did not want to spend \$6 million to get \$25 million in New Starts, but he still thought that might be a place to look over time. Regarding the next Eugene corridor, he said that there would be a new City Council and a new LTD Board, and there would be opportunities to work on it together. He said he would support continuing money to plan that corridor.

Ms. Ban said she appreciated the working agreements that the Board came up with earlier, and hoped that they would continue to use them to help with process. She liked the idea of going to the Monday work sessions once a month. She said that the conversation started with Ms. Lauritsen saying that the mission was to keep the buses running and on time. Ms. Ban thought that a lot of the dialogues were the tension between how to do that in the present day and how to do that 10 to 15 to 20 years in the future. She agreed with Mr. Gaydos about dedicated lanes and with others in terms of comprehensive BRT implementation out as much as possible, but she also realized that LTD was in a very mixed environment where the economy went up and down and there were constraints in the roadways, etc., which sometimes meant that LTD would have to moderate its view, just as with the vehicle iterations. She thought that the best thing to come out of the work session was an agreement to continue to have robust conversations about all of these issues in the future. She said that they were all real problems in a real world that would require the Board's best, most balanced thinking about the future and the present intentions.

Mr. Gant said that this was difficult for him, because he cared about transit and that was why he was on the Board. He said he had thought a lot about BRT and understood more of the history about how it got going, and that the staff maybe initially was not in favor of BRT. He thought that BRT was premature, possibly because he was conservative in spending money, and liked things that were settled. While the concept of BRT had some merit, he said, he did not believe that LTD had to have it. He said he had heard some Board members say that if LTD did not have BRT going within four years, it almost sounded like the whole community would implode. He did not see it that way. He thought that LTD had one of the best transit systems in the U.S., and that would not change if LTD was not the maverick and the first one to build out this kind of a system. He thought it eventually would be a common type of system, but probably not for 50 or 100 years. He worried about the impact that BRT would have on the rest of LTD's mission, and said that the indications that LTD may be going down a path that took the District out of its mission path were too great for him to support BRT. He said he hoped that his fellow Board members would respect that. He said it was not coming from a feeling that LTD should not spend public money on this, and he worried that this was going to be one of the projects where too much public money was spent very badly, with LTD

ending up having to raise taxes and increase fares and cut fixed-route service all at once. He did not think that the community supported the concept, and said that if it were put to a vote of the members of the community, there would be a resounding defeat, which was what he heard from his constituents. He thought there were times when you had to step forward and show leadership, even in the face of public opposition. However, he also thought that when it came to transportation issues, that needed to be counted in someplace in the analysis of how a person voted. He said that not being elected gave the Board a higher level of responsibility to pay attention to what the members of the community thought. He said he would consistently vote against BRT and would vote against the budget. He said he would not be a "Bible-thumping evangelical-type person" against BRT. He said that was not his role; his role was to vote his conscience.

Ms. Helphand noted that unanimity was not the Board's end goal, but honest discussion was. She said that the Board would have a lot of discussion as these issues came before them. She said the hope was that as the Board moved forward, they would document their decisions well, making sure they had robust discussions, and make benchmarks along the way, so that staff knew the direction to go. That would help the staff move forward knowing that the Board would stand behind them, in the way that the Board defined supporting decisions as a whole.

Ms. Helphand said that the Board's agreements would be brought back to the Board for their review.

Ms. Wylie said that she appreciated everyone spending the time for this work session. She thought it was necessary, and that they all had a better understanding of the BRT projects and had come to some agreements on some policies, which they had needed to do. She thanked Ms. Helphand for her help in some good discussions. Ms. Helphand reminded the Board to talk to new members about the agreements and keep them as a living document, and see if new members recommended any changes.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 7:35 p.m.



Board Secretary

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