

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, November 15, 2006

Pursuant to notice given to *The Register-Guard* for publication on November 9, 2006, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly Board meeting on Wednesday, November 15, 2006, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Gerry Gaydos, President, presiding
Susan Ban, Vice President
Debbie Davis, Treasurer
Mike Eyster
David Gant
Dean Kortge, Secretary
Mark Pangborn, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Minutes Recorder

FRANKLIN EmX TOUR – The meeting commenced with a tour for Board members of the Franklin EmX corridor aboard a new EmX vehicle.

CALL TO ORDER/ROLL CALL – Mr. Gaydos called the meeting to order and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Gaydos commented that the EmX tour and the new vehicle were wonderful and he commended the driver for an excellent tour. He noted that the design of the new vehicle was generating positive comments from the public.

EMPLOYEES OF THE MONTH – Transit Operations Manager Mark Johnson introduced Del and Carol Allred, bus drivers for LTD for more than 11 years and 10 years respectively. He said both had multiple nominations and were recognized for their dedication, positive attitude, and excellent customer service.

AUDIENCE PARTICIPATION – Fred Simmons, retired bus operator, spoke to the Board about the retiree plan, which was capped at \$125.00 per month. He said that a new plan—the Azuris Enhanced Plan—was available. He said the District currently contributed \$103.30, which was below the \$125.00 cap and he requested that the District allow retirees to sign up for the Azuris Enhanced Plan. He said that would cost slightly more than \$113.00 and that was well below \$125.00. He said there was a substantial difference in plans and the Azuris Enhanced Plan would be very helpful to retirees; the increased cost to the District would be \$120.00 annually for those employees who elected that plan.

Mr. Kortge asked why plans from other companies were not being considered. Ms. Neidig said Mr. Simmons had inquired about prescription drug benefits for retirees at the February 2006

Board meeting and staff had shared that inquiry with the Joint Insurance Committee and researched the matter; the conclusion was to stay with the current plans.

Mr. Gaydos asked that the matter also be referred to the Board's Human Resource Committee.

In response to a question from Mr. Kortge, Ms. Neidig explained that retirees currently could choose among three plans and each of those plans had a prescription drug benefit. She said there would be some additional administrative costs if other plans were added.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – Ms. Ban moved adoption of LTD Board Resolution No. 2006-035: "It is hereby resolved that the Consent Calendar for November 15, 2006, is approved as presented." Mr. Eyster provided the second. The Consent Calendar consisted of the minutes of the October 18, 2006, regular Board meeting and the Budget Committee nomination of Dwight Collins.

VOTE The Consent Calendar was approved as follows:
AYES: Ban, Davis, Eyster, Gant, Gaydos, Kortge (6)
NAYS: None
ABSENTIONS: None
EXCUSED: None

Independent Audit Report – Director of Finance & Information Technology Diane Hellekson introduced Charles Swank of Grove, Mueller and Swank, P.C., to present the independent audit report. She noted that the audited statements and auditor's opinion were contained in the *Comprehensive Annual Financial Report*.

Mr. Swank presented the annual report as of June 30, 2006. He commended the work of LTD staff and said the annual audit seldom identified any discrepancies or adjustments. He observed that LTD had received an award for outstanding financial reporting in each of the past ten years from the Government Finance Officers Association (GFOA). He reviewed the elements of the report and indicated that the area with the most clarification and additional information was cash and investments. He referred to the expanded section on cash and investments in the report. He said the District had met all requirements for disclosure.

Ms. Hellekson reminded the Board that the annual independent audit was required by both federal and state regulations and its acceptance should be a matter of public record.

MOTION **Acceptance of Audit Report** – Mr. Kortge moved adoption of LTD Board Resolution 2006-036: "Resolved, that the LTD Board of Directors accepts the Independent Audit Report for the fiscal year ending June 30, 2006. Mr. Eyster provided the second.

VOTE The resolution was approved as follows:
AYES: Ban, Davis, Eyster, Gant, Gaydos, Kortge (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Approval of Supplemental Budget for FY 2006-2007 – Ms. Hellekson explained that the supplemental budget reflected two loans from the General Fund: one to the Accessible Services Fund and one to the Commuter Solutions Fund. She said supplemental budget would repay those two loans and additionally would make appropriations available for the Thurston Station repair work, which was done in July instead of June, by moving the funds to the appropriate fiscal year. She said the final piece of the supplemental budget would provide appropriations for the loan that the Board approved for short-term financing of 20 Gillig vehicles expected in December 2006.

Mr. Pangborn reported that repairs were necessary because some of the structure at the Thurston Station did not withstand the weight of the buses.

Public Hearing on Supplemental Budget for FY 2006-07: Mr. Gaydos opened the public hearing. There being no one wishing to speak, he closed the public hearing and called for comments from the Board.

Mr. Eyster asked when the Thurston Station was built and whether the contractor would have any liability. Assistant General Manager Stefano Viggiano said the station was built approximately ten years ago and he believed that the problems were more likely due to design than construction.

MOTION Mr. Eyster moved approval of LTD Board Resolution 2006-037, which amends the LTD Fiscal Year 2006-2007 budget as represented in the resolution (attached). Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Eyster, Gant, Gaydos, Kortge (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: None

Comprehensive Annual Financial Report for FY2005-2006 – Ms. Hellekson referred to the report executive summary of the report provided in the agenda packets. She reported that fiscal year 2005-2006 was a very good year, with strong results in most areas. She said the only negative was the increase of fuel costs, but revenues had increased faster than expenses. She said all revenues had record highs and the system productivity record was shattered. She highlighted ridership and farebox recovery statistics. She commended the efforts of finance staff Carol James and Todd Lipkin to prepare the report.

EmX Steering Committee Appointment – Mr. Viggiano explained that Springfield councilor Tammy Fitch had been a member of the committee for some time. He said that she had expressed an interest in remaining on the committee after her term on the council expired. He said Ms. Fitch had been a great asset on the committee and recommended making her the fourth at-large member.

Mr. Gaydos remarked that Ms. Fitch had been extremely supportive of LTD during the United Front trip.

MOTION Ms. Ban moved adoption of LTD Board Resolution 2006-038: "Resolved, that the LTD Board of Directors approves the appointment of Tammy Fitch as an at-large member of the EmX Steering Committee. Ms. Davis provided the second.

VOTE The resolution was approved as follows:
AYES: Ban, Davis, Eyster, Gant, Gaydos, Kortge (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Pioneer Parkway EmX Corridor Approval – Mr. Gaydos reported that the Springfield City Council and Lane County Board of Commissioners had approved the Pioneer Parkway EmX corridor.

Mr. Viggiano reviewed the decision-making process to date, including stakeholder meetings, technical analyses of potential corridors, extensive public outreach, and identification of a locally preferred alternative. He said the preferred alternative was approved by the Springfield City Council, the LTD Board, and the Metropolitan Policy Committee and then subjected to an environmental assessment. He said the next step was final approval by local jurisdictions, and the Board and both Lane County and Springfield had voted unanimously to approve the corridor.

Mr. Viggiano said that once the Board had granted its approval, the project would move into a design and engineering phase during 2007-2008, with construction beginning in 2008 and service starting in 2010 or possibly sooner. He said that funding was still a question and it would not be known until February 2007 whether the Small Starts application was successful, and funding amounts would not be known until October 2007. He said that \$5.4 million in ConnectOregon funds had been approved and were available to help fund the local match.

Mr. Viggiano referred to the executive summary for the environmental assessment and noted that comments received from the public were included. He said issues raised during a public hearing included Don Lutes' concern about loss of greenery in the median and proximity of the transit lane to the bike path, and Springfield Cleaners' concern about loss of parking along Pioneer Parkway. He said that staff were committed to trying to resolve those concerns.

Mr. Gaydos remarked that ConnectOregon was a special program to provide funding for transportation projects around the State and LTD had submitted a successful application for funds. He thanked the Oregon Transportation Commission for its support of the LTD project.

Mr. Eyster noted that in a letter Mr. Lutes had objected to guideways. Mr. Viggiano said that Mr. Lutes' objection related to the location in the median as he preferred lanes along the side of the roadway with the median remaining intact.

Mr. Gant asked if \$37 million was the original amount. Mr. Viggiano said that the original amount was \$38 million and the reduction occurred because of the mixed-traffic option in the Gateway/Harlow area where exclusive lanes were originally planned.

MOTION Mr. Eyster moved adoption of LTD Board Resolution 2006-039: "Resolved, that the LTD Board of Directors approves the Pioneer Parkway EmX for advancement to final design and engineering. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Eyster, Gaydos, Kortge (5)
 NAYS: Gant (1)
 ABSTENTIONS: None
 EXCUSED: None

Brokerage Update: Guiding Principles on Coordinated Plan and Priorities – Accessible Services Manager Terry Parker said that every two years the accessible services program had an opportunity to apply for State discretionary grants for capital and special projects funding. She said that LTD was also the coordinating agency for some of those funds and not only submitted grant applications, but also reviewed and ranked them. She said developing guiding principles and priorities would provide applicants with the information to propose successful projects. She said those principles and priorities would be incorporated into the *Lane 2006-07 Interim Coordinated Public Transit-Human Services Transportation Plan (Coordinated Plan)*.

Ms. Parker reviewed the draft principles and priorities provided in the agenda packet and asked the Board for affirmation of the direction being taken. She said that formal approval by the Board would be requested at its January 2007 meeting.

Ms. Ban asked when the plan would be updated again. Ms. Parker replied that she was not certain, as there was little federal guidance. She anticipated that the plan would be updated within two years.

Ms. Ban remarked that there was a degree of conservatism in the priorities and urged a more assertive approach in the next update.

Ms. Parker reported that contracts had been signed for the Medicaid brokerage with the Department of Human Services and the Public Transit Division. She said recruitment for an employee would close at the end of November and she anticipated having that person on board in January 2007.

ITEMS FOR INFORMATION AT THIS MEETING

Pearl Buck Center Honors Accessible Services Manager Terry Parker – Mr. Pangborn announced that Ms. Parker was the recipient of an annual award from the Pearl Buck Center recognizing her contributions to the center.

Mr. Pangborn also announced that LTD would receive an award from Lane Independent Living Alliance (LILA) for the District's service to people with disabilities.

Mr. Gaydos added that Facility Services Manager Charlie Simmons had been nominated for an award from the American Institute of Architects recognizing construction and quality craftsmanship.

BOARD CALENDARS – Mr. Pangborn said there was sufficient business to hold a meeting in December and proposed moving the meeting from December 20 to December 11. There were no objections to December 11 as the meeting date. It appeared that this would be an informational meeting only.

Mr. Pangborn noted that Board members had been contacted by a person who complained about being cut off by a bus and wanted buses to have a telephone number on them that would allow people to call about driving. He had asked staff to research that issue, including checking the practices of other properties.

ITEMS FOR INFORMATION AT THIS MEETING (continued)

Monthly Financial Report – Ms. Hellekson reported that everything was stable for the first four months of the fiscal year but there had been some slowing of payroll tax receipts. She said that fuel remained a concern, but there had been strong growth in ridership and improved investment returns.

Mr. Gaydos noted that December 11 would be outgoing Board member David Gant's last meeting.

ADJOURNMENT - The meeting adjourned at 7:27 p.m.



Board Secretary

Q:\Reference\Board Packet\2007\01\Regular Meeting 01-17-07\BDMIN 11-15-06.doc