

MINUTES OF DIRECTORS MEETING

LANE COUNTY MASS TRANSIT DISTRICT

REGULAR MEETING

May 16, 1978

Pursuant to notice given to the Register Guard for publication on May 11, 1978, to the Springfield News and distributed to persons on the mailing list of the District, the regular monthly meeting of the board of directors of Lane County Mass Transit District was held at the City Hall in Eugene, Oregon, on May 16, 1978, at 7:30 p.m.

Present;

Richard A. Booth, Secretary  
Jack J. Craig  
Daniel M. Herbert, President, presiding  
Kenneth H. Kohnen, Vice President  
Ted J. Langton, Treasurer  
Glenn E. Randall  
Carolyn Roemer  
Fred C. Dyer, General Manager  
Mavis Skipworth, Recording Secretary

News media:

Marvin Tims, Register Guard

OTION

MINUTES: Minutes of the adjourned board meeting of April 11, 1978, the regular board meeting of April 18 and the special meeting of April 19 were unanimously approved as distributed.

VOTE

AUDIENCE PARTICIPATION: Mike Mooser of Elmira asked how the service boundaries were determined and Mr. Dyer and Mr. Herbert responded. He questioned why the same income tax rate was set for rural and urban areas and the chairman replied that under the statutes the rates cannot be different. Mr. Mooser asked if with passage of the income tax the rural fares would be reduced and Mr. Herbert said the possibility had not been examined; that at recent public hearings on the effectiveness of specific rural routes, the rural residents had indicated that they believed the fare was a good bargain. Responding to a further question if any board members were rural residents, Mr. Craig explained the districting set by the 1977 legislature for board appointments. Mr. Mooser said he resides just within the district's boundary and would be subject to the tax, but that service is very inconvenient in the outlying areas.

Clark Cox reported on an overload in ridership at Valley River Center on May 13, when he had to wait an hour to board a bus at J. C. Penneys. He said that the district should anticipate special activities to handle the loads and the buses should be used on high density routes like Valley River Center rather than on routes like Jasper with a history of low ridership.

Mr. Randall entered the meeting.

CITIZENS ADVISORY COMMITTEE: Minutes of the May 9, 1978 Citizens Advisory Committee meeting were distributed for board information.

PUBLIC HEARING ON SUPPLEMENTAL BUDGET: The chairman read the supplemental budget distributed for board action.

Mr. Herbert opened the meeting for public testimony and there was no response. He again invited public comment and received no response. He declared the public hearing closed.

MOTION Mr. Craig made a motion, seconded by Ms. Roemer, to approve the supplemental budget.

In ensuing discussion, it was the consensus of the board that subsequent financial reporting should include capital reserve funds, with all expenditures and resources totalled.

Mr. Booth said he would vote against the resolution as he believed the \$239,593 for Capital Reserve Fund should be carried forward into next year for operating capital or to reduce the tax levy on employers.

Mr. Langton said the Capital Reserve Fund is fairly committed to a capital improvement program that he believed was not needed; that it would be better to use those monies for general operating expenses and if there is an excess, to reduce the payroll tax.

Mr. Kohnen said it was his understanding that the Capital Reserve Fund would be available for working capital to prevent borrowing money on warrants.

Mr. Dyer explained the difficulties the district has had in using monies from capital grants due to lack of local share funds, and spoke of the importance of accumulating reserve funds for vehicle replacements.

AMEND  
MOTION Mr. Langton moved to amend the motion by removing the budgeted amount from Capital Reserve Fund and including the \$239,593 in the Beginning Fund Balance for next year. Mr. Booth seconded the motion. The motion failed with favorable vote by Booth and Langton, and opposed by Craig, Herbert, Kohnen, Randall and Roemer.

Mr. Kohnen asked about the advisability of budgeting the monies from the Capital Reserve Fund to Capital Outlay. Mr. Dyer said he believed it would make the funds seem too accessible.

VOTE The question was put and the following resolution carried with favorable vote by Craig, Herbert, Kohnen, Randall, Roemer, and opposed by Booth and Langton:

BE IT HEREBY RESOLVED, that the Supplemental Budget of \$398,009 submitted by the Budget Officer providing for \$18,750 for Personal Services, \$35,465 for SAIF premium, \$104,201 for Capital Outlay and \$239,593 for the Capital Reserve Fund, and providing for resources of \$43,217 for the Beginning Fund Balance, \$18,283 of CETA funds, \$30,996 of Section 5 Operating Assistance, \$65,513 of Section 3 Capital Assistance and \$250,000 of Employer Payroll Taxes, all as set forth in the copy of the Supplemental Budget filed with the secretary and made part of this Resolution, is hereby adopted, and said funds are hereby appropriated for the purposes specified therein.

FINANCE AND BUDGET: Regular financial reporting was presented for the month of April.

BUDGET COMMITTEE: The chairman announced that the next meeting of the Budget Committee is scheduled for May 17 at 7:30 p.m. in the Municipal Courtroom.

Mr. Booth presented the name of James R. Hengstler for budget committee appointment to complete the term vacated by Agnes Van Devender, to serve to January 1, 1980. Mr. Booth said that Mr. Hengstler is owner of Emerald Auto Parts in Junction City, and that his business gives him insight into the district's maintenance area.

MOTION  
VOTE

Mr. Booth moved to approve the appointment of Mr. Hengstler. Mr. Kohnen seconded the motion and it carried unanimously.

CAPITAL GRANT III: Draft copies of Exhibit A. - Project Description and Exhibit D. - Project Financing, of Capital Grant III application was presented for board information, and the board was advised that the remaining exhibits, consisting mainly of historical, program and environmental descriptions, will be presented in full at the June board meeting.

Discussion followed on the number of vehicles to be replaced. Mr. Herbert reminded that as the grant application was for replacement vehicles it did not include a projection of meeting the area goal of a transit split. Mr. Kohnen called attention to a discrepancy between the amount of the Capital Reserve Fund listed in Exhibit D. and in the monthly cash flow forecast. The staff gave assurance that it would be corrected.

Mr. Booth observed that he did not believe the grant application included enough maintenance equipment and tools in comparison with other items. Mr. Dallas said that in the present facilities there is not space available for additional equipment, and he spoke of the importance of replacement vehicles.

PROPERTY APPRAISALS: The board received copies of summary data on appraisals of eleven parcels of real estate prepared by David A. Knox, M.A.I.

SALARIED EMPLOYEES' RETIREMENT PLAN: Mr. Dyer presented copies of an actuarial cost study of the salaried employees' retirement plan for the fiscal year beginning July 1, 1977, and a recommendation by the consulting actuary that for budgeting purposes the contributions be accrued at the rate of 8.75% of compensation for the 1978-79 fiscal year.

MOTION  
VOTE

Upon motion by Mr. Randall, duly seconded, the board voted unanimously to adopt the following resolution:

RESOLVED that this District's contribution to the salaried employees' retirement plan be accrued at the rate of 8.75% of compensation for the 1978-79 fiscal year.

Mr. Randall asked to be excused from the meeting for another appointment.

MARKETING: A report of current activities by the Marketing Division was presented for board information.

RIDERSHIP: Regular ridership reporting was distributed for the month of April.

EUGENE CENTRAL TRANSIT STATION: Mr. Dyer reported that at a May 15 meeting the Eugene Planning Commission advised that they were not interested in participating in the study committee proposed by the District, but would await the results of a major review of transportation planning for the downtown area being conducted by the Public Works Department. He said that the Planning Commission desires input from the District and he would recommend that the District work with the Public Works Department rather than forming the proposed committee. It was the consensus of the board to cooperate with the Public Works Department and instructed staff to prepare a resolution for board adoption emphasizing the importance of early completion of the review and the concerns of the District. Mr. Herbert asked that the resolution be prepared for the next board meeting.

T-2000 PLAN: The board was advised that a work session on the T-2000 Plan is scheduled for the evening of May 18 and any interested board members may attend this meeting of the joint Eugene and Springfield City Councils and County Commissioners.

MOTION

TRANSIT DEVELOPMENT PROGRAM: Mr. Craig moved that the board adopt the final draft of the Transit Development Program. Mr. Kohnen seconded the motion.

Mr. Booth distributed copies of his observations and views on the Transit Development Program, stating that, 1) in light of present experience and any practical prediction of the future the present modal split assumption of 14% is unrealistic. Therefore, much of the plan is based on a result it is impractical to project, 2) figures calculated from data on Page 14 of the TDP indicate it projects passengers paying a smaller percentage of operating expense each year, 3) the non-urban service is much less productive than urban service, 4) the TDP does not project as aggressive a marketing and sales attitude as his analysis indicates the board wishes to pursue, and 5) there is a noted lack of emphasis on the productivity and service of the district's operations. He further stated that he believed the board should take a firm stand on any issues felt to be unrealistic or unattainable; that once a plan is adopted, past experience shows the District will be forced to comply. He noted that in the special meeting of this date, the TDP was cited as general direction for staff in carrying out labor negotiations and, therefore, there must be a realistic T-2000 plan with goals and objectives that are attainable.

Mr. Kohnen cautioned that projected revenues should not be over-estimated and that the chart on Page 14 does not preclude the board trying to improve the ratio between farebox revenues and operating costs. Mr. Langton said he believed the ratio indicates poor utilization of revenues, spending a lot for little results.

Mr. Booth said the marketing section appears small in comparison to the importance board has put on it in the past year. Mr. Herbert said he would not object to increasing advertising and marketing, and that the TDP is a reference point which can be increased. Mr. Dyer cautioned that ridership demand resulting from increased marketing will be from commuters, that while marketing attempts to fill low ridership valleys, the peaks will go up accordingly and the District should not market something it doesn't have.

Mr. Kohnen reminded that the data under discussion is only one page out of the entire Transit Development Program which projects anticipated growth of the District and the service that can be provided, a forecast and not a goal.

VOTE The question was put on the motion, and the board approved the following resolution with favorable vote by Craig, Herbert, Kohnen, Roemer, and opposed by Booth and Langton:

BE IT HEREBY RESOLVED that Lane Transit District adopts the 1978-1981 Transit Development Program (TDP) as a guide for internal budgetary and management decisions and as a submission to the annual Transportation Systems Management Element (TSME) and Transportation Improvement Program (TIP) to be prepared by L-COG.

PETITION: The board received copies of a petition signed by residents of a mobile home park on Franklin Boulevard requesting a shelter be provided by the District. The staff advised that negotiations are underway with the owner of a privately supplied shelter which is scheduled for removal, with the objective of acquiring it by gift, assuming maintenance, responsibility, and moving it to a new site in the immediate vicinity. The staff reported that a response has been sent to the lead petitioner with a request for posting at the park.

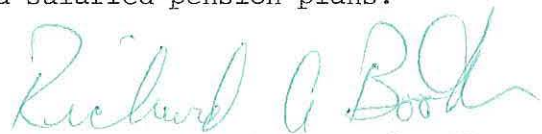
SPRINGFIELD RAILROAD STATION: The staff advised that the Springfield Historical Commission and a University of Oregon architecture class are exploring the possibility of restoring the Southern Pacific Dept on a new site. While the project is in an early stage of study, one alternative considered would involve relocating the building to a site adjacent to the downtown Springfield bus transfer point, with joint use of the building by the District and other tenants.

1978 ANNUAL ROUTE REVIEW: Recommendations for September, 1978, route changes will be presented to the Citizens Advisory Committee and the board of directors at their June meetings.

OPERATIONS: Regular monthly reporting from the Operations Department was presented for April.

APTA BULLETIN: Included in the agenda packet were copies of an address presented at the March 8, 1978 APTA Legislative Conference by Milton Pikarsky, Chairman of the Regional Transportation Authority of Chicago, expressing views on the future of public transit in light of the energy crisis and the costs of imported petroleum.

ADJOURNMENT: The chairman announced that the meeting would adjourn to May 30, 7:15 p.m. in the Eugene City Hall, to make housekeeping adjustments in the trust agreements for contractual and salaried pension plans.



Secretary