

MINUTES OF DIRECTORS MEETING

LANE COUNTY MASS TRANSIT DISTRICT

REGULAR MEETING

August 15, 1978

Pursuant to notice given to the Register Guard for publication on August 10, 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 August 15, 1978, at 7:30 p.m.

Present:

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

The meeting was opened and Mr. Kohnen expressed to Mr. Herbert the appreciation and gratitude of the board for his service as president of the board.

AUDIENCE PARTICIPATION: Richard Hansen of 2744 Tomahawk Lane, speaking as Vice President of the Eugene Area Chamber of Commerce, urged the board to be responsive to those recommendations included in the letter of August 3, 1978 from Governor Straub to the board. He offered the services of the Chamber to the district.

Stuart Barr, representing Willamette Industrial Distributors Association, questioned the board as to the percentage of increase in the new labor contract and offered to make available to the board at no cost the services of a labor management consultant to explain the increases in the new contract.

The chairman asked for further public comment and there was none; whereupon he closed that portion of the meeting, advising that should any members of the audience wish to comment upon the forthcoming action items by the board, there would be opportunity.

MOTION  
VOTE

MINUTES: Minutes of the regular board meeting of July 18, 1978 and the adjourned board meeting of July 25, 1978 were unanimously approved as distributed.

SECTION 5 RESOLUTION: Mr. Dyer presented a proposed resolution to effect internal financing of Section 5 funds. He explained that any cash balance shown as of June 30, 1978 would be deducted from the amount that the district is

eligible to receive in fiscal year 1978-79 Section 5 funding. In ensuing discussion, Mr. Booth said he believed it to be a poor resolution as it allowed the board to spend any windfall monies and did not commit the district to use such funds for operating expense.

Mr. Herbert noted that although the resolution stated the purpose would be to meet the need of qualifying for operating assistance, it was important to realize that a capital reserve fund is necessary to accumulate revenue for purchase of needed vehicles to replace obsolete equipment that is expensive to maintain.

Mr. Hansen, of the audience, said he would hope the district could receive the Section 5 benefits from the government and then use the extra funds for operating expenses.

MOTION  
VOTE

Upon motion by Mr. Craig, seconded by Mr. Herbert, the board unanimously adopted the following resolution:

RESOLVED that any and all balance on hand in the General Fund as of the end of the fiscal year ending June 30, 1978, in the amount shown by audit of said fiscal year, be transferred to the Capital Reserve Fund, for capital outlay purposes, in order to meet the need of qualifying the District for a Section 5 federal operating assistance grant.

A proposed resolution was then presented for board consideration allowing funds to be loaned from the Capital Reserve Fund to the General Fund during the 1978-79 fiscal year, any such amounts to be repaid by June 30, 1979. Mr. Booth objected to borrowed amounts having to be returned to the Capital Reserve fund rather than being used to reduce the payroll tax by the amount of any excess.

MOTION  
VOTE

Following further discussion, upon motion by Mr. Langton, seconded by Mr. Randall, the board unanimously approved the following resolution:

RESOLVED that such amount be loaned from the Capital Reserve Fund to the General Fund as may be needed from time to time during the fiscal year ending June 30, 1978, to meet operating expenses, not to exceed in any calendar quarter an amount equal to one-fourth of the Section 5 federal operating assistance grant for each calendar quarter that the federal Section 5 funds are not yet received, said loan to be repaid to the Capital Reserve Fund immediately upon receipt of said Section 5 federal operating assistance funds, but in any event to be repaid by the end of the ensuing year.

MOTION  
VOTE

BANK SIGNATURE CARDS: Upon motion by Mr. Booth, seconded by Mr. Randall the board unanimously approved the following resolution:

BE IT HEREBY RESOLVED that the funds of Lane County Mass Transit District on deposit at Citizens Bank of Oregon, may be withdrawn in amounts not exceeding \$5,000.00 on any one instrument on checks, drafts, receipts or advises of debt given or signed in the District's name by any two of the following:

Kenneth H. Kohnen, President  
Fred C. Dyer, General Manager  
Ted J. Langton, Treasurer

or, by any one of the three above-named officers, plus any one of the following:

Phyllis P. Loobey, Director of Administrative Services  
Michael M. Merrell, Accountant;

and that the funds of Lane County Mass Transit District on deposit at Citizens Bank of Oregon, may be withdrawn in amounts exceeding \$5,000.00 on any one instrument of checks, drafts, receipts or advises of debt given or signed in the District's name by any two of the following:

Kenneth H. Kohnen, President  
Fred C. Dyer, General Manager  
Ted J. Langton, Treasurer

BUDGET RESOLUTION: Mr. Dyer presented a recommendation of proposed personnel requirements resulting from a staff analysis conducted subsequent to the deletion of \$143,000 by the budget committee from the proposed budget. He explained a recommended transfer of funds between budget categories to fund positions of a Transit Development Specialist, a Purchasing Agent and a Personnel Administrator. Mr. Booth suggested that action on the matter should be postponed until the recommendations listed in the governor's letter were resolved. Mr. Craig noted that the positions would be funded within the adopted budget and that if there were any changes to be made within the structure of the district, these positions would give assistance.

The chairman gave the audience an opportunity for comment and Mr. Barr said he would like to see the board take positive steps to limit the number of personnel positions and he did not see this happening.

MOTION  
VOTE

Upon motion by Mr. Herbert, seconded by Mr. Craig, the board approved the following resolution with favorable vote by Craig, Herbert, Kohnen, Randall and Roemer, and opposed by Booth and Langton:

BE IT HEREBY RESOLVED, that the General Manager is authorized to transfer funds between budget categories for the purposes of funding the Transit Development Specialist, Purchasing Agent and Personnel Administration classifications and to provide adequate funding for fringe benefits in accordance with the new labor agreement.

WHEREAS, it is necessary to transfer funds between categories, that \$2,969 from Materials and Services and \$39,638 from Contractual Services for a total of \$42,607 be transferred to Personal Services and Benefits as described below:

	<u>Budget</u>	<u>Transfer</u>	<u>Adjusted Total</u>
Personal Services	\$3,438,796	\$ 938	\$3,439,734
Benefits	1,007,187	41,669	1,048,856
Materials and Services	736,250	(2,969)	733,281
Contractual Services	357,947	(39,638)	318,309

BE IT HEREBY APPROVED, and said funds are hereby appropriated for the specified herein.

Mr. Craig expressed his objection to members of the audience being given an opportunity to make comments after each agenda item. The chairman replied that the meetings should be kept open.

LETTER FROM GOVERNOR STRAUB: The chairman referred to a letter of August 3, 1978 received from Governor Straub, and recommended that the board should discuss a course of action to finalize a report to the governor by October 1st.

Mr. Langton observed that in a meeting with the governor that he had attended, he believed the governor was upset by the controversy that has arisen and that he was scolding the district for not being responsive to the public and that the board would be shirking its duty if it does not react in a positive and responsible manner in improving operating efficiency and curbing expenditures.

Mr. Booth suggested the board should give staff further direction to cooperate with the citizens advisory committee on maintenance in order to accomplish a savings in the maintenance department, that all salaries should be kept in line, that capital reserve funds should be transferred back into the operating budget and the payroll tax should be reduced even further than .0050. He added that as the labor contract has already been approved, nothing can be done on that issue, but when the contract is again negotiated in three years it should be looked at more critically. Mr. Booth proposed that a goal of 30% of operating costs from passenger revenues be reached by 1981, or a minimum of 20%; that performance standards be established to measure farebox support on certain routes, and that buses be removed from low ridership routes to those routes that will serve more of the population. He said the business community is willing to offer the district hours of free time on gaining efficiencies on a cost effective basis.

MOTION

Mr. Craig moved that the chairman write a letter to Governor Straub, thanking the governor for his letter, reporting what is currently being done on his recommendations, what further action will be taken, and advise that a report will be submitted by October 1st. Mr. Randall seconded the motion and it carried unanimously.

VOTE

MOTION

Upon motion by Mrs. Roemer, duly seconded, the board voted unanimously to adjourn at the close of this meeting to August 29, 1978, at 7:30 p.m. in City Hall for further discussion on those items covered in the governor's letter. Mr. Craig suggested that suggestions for discussion should be submitted to the district office prior to the meeting.

VOTE

MOTION

OREGON TRANSIT ASSOCIATION: Mr. Dyer summarized the formation of an Oregon Transit Association as recommended by the governor. Upon motion by Mr. Booth, seconded by Mr. Herbert, the following resolution was unanimously approved:

VOTE

WHEREAS, cooperation between transit districts, transportation districts and cities performing public transportation functions is necessary, convenient and desirable for such public bodies to carry out their powers;

WHEREAS, it is necessary, convenient and desirable to form an association of such public bodies to promote such cooperation, avoid duplication of effort, and to better serve the transportation needs of the public;

WHEREAS, membership of the Lane County Mass Transit District (Lane Transit District) in such an association will benefit residents of the metropolitan Lane County area and the transit riding public by assisting the District in carrying out its powers more efficiently and effectively, now, therefore,

IT IS RESOLVED:

1. The Board of Directors of Lane Transit District does hereby authorize the General Manager to enter into the attached Oregon Transit Association Agreement of Association on behalf of the Lane Transit District;

2. The Board of Directors of Lane Transit District appoints Fred C. Dyer to serve as the representative of Lane Transit District on the Board of Directors of the Oregon Transportation Association in accordance with the terms and conditions of the attached Agreement of Association.

MOTION

AMERICAN PUBLIC TRANSIT ASSOCIATION CONFERENCE: Mr. Craig moved that Mr. Dyer or another representative of the district attend the APTA Conference, September 24 to 28, 1978, in Toronto, Canada. Mr. Randall seconded the motion. VOTE stating that he believed Mr. Dyer should be selected to attend. The motion carried unanimously.

MOTION

AMENDING PAYROLL TAX ORDINANCE: Mr. Randall moved that the board instruct the staff to prepare an ordinance and provide notices for a public hearing at the regular September 19 board meeting, setting a payroll tax rate at .0050 to become effective January 1, 1979. Mr. Langton seconded the motion.

Mr. Herbert said that in reference to Mr. Booth's statements that the board does not listen, this motion clearly indicates that the board is responding directly to testimony. He asked Mr. Booth if he did not believe this is a response to the testimony heard at the budget committee hearings, and Mr. Booth said he really did not. VOTE

The question was put and the motion carried unanimously.

EUGENE AIRPORT SERVICE: The board was advised that the staff is currently working on a feasibility study, including a compilation of numbers of employees and students on various shifts both at the Airport and on Airport Road; that alternative service proposals, costs, and ridership estimates will be presented to the board prior to seeking formal review by the Airport Commission and the Airport Limousine Service.

EVALUATION OF SERVICE UTILIZATION: The staff presented a proposed work program for evaluating utilization of existing service in greater depth, the purpose to set forth a process for determining both quantitative and qualitative impacts on reduction or reallocation of service to achieve the reduction of appropriations approved for fiscal year 1978-79.

Mr. Herbert said he would like for the board to receive two or three alternatives of possible service changes that would accomplish reductions at varying levels to progressively approach a \$200,000 reduction and to estimate a pattern of revenue that would develop from those alternatives. He noted that a reduction of that amount during this fiscal year, would have an impact of \$400,000 annually in future years, as the timeline for any changes within the current year could be in effect for only half of the year.

Mr. Langton said he preferred to establish performance standards by which the system could be evaluated, and to set vehicle productivity goals per route.

Mr. Craig left the meeting.

Mr. Kohnen said the board should determine what effect the \$200,000 cut would have on the system and how it could be handled in such a way as to cause the least disruption.

Mr. Randall left the meeting.

Mr. Booth said he believed the board should set performance objectives and the staff should reorganize the system in response to those goals.

CITIZENS ADVISORY COMMITTEE: The board was advised that no meeting was held during July by the Citizens Advisory Committee.

FINANCE AND BUDGET: Regular monthly financial reporting was presented for board information.

MARKETING DIVISION: An update of Marketing Division current activities was presented for board review.

RIDERSHIP: Ridership reporting for the month of July was distributed for board information.

PETITION: The board received copies of a petition received from 31 residents of the Jacobs Drive area requesting extension of Sunday service. The staff advised that a response has been sent to the petitioners indicating that the service extension is not feasible within this year's budget.

OPERATIONS: Regular monthly reporting for the Operations Department was included in the agenda material for board review.

ADJOURNMENT: The meeting was then adjourned to August 29, 1978 at 7:30 p.m. in City Hall for further discussion on the recommendations of Governor Straub.



Secretary