

MINUTES OF DIRECTORS MEETING  
LANE COUNTY MASS TRANSIT DISTRICT  
REGULAR MEETING  
February 17, 1981

Pursuant to notice given to the Register Guard for publication on February 11, 1981, 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, Eugene, Oregon, on February 17, 1981, at 7:30 p.m.

Present: Richard A. Booth, Secretary  
Daniel M. Herbert, Vice President  
Kenneth H. Kohnen, President, presiding  
Robert C. Loomis  
Carolyn Roemer  
Phyllis Loobey, General Manager  
Jo Sullivan, Recording Secretary

News Media Representative:  
Marvin Tims, Register Guard

Absent: Ted J. Langton, Treasurer  
Glenn E. Randall

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Mr. Kohnen noted that the quarterly budget review, included in the information items in the agenda packet for this meeting, was an interesting report, and that the District's revenue/expense relationship appeared to be somewhat better than it had been, with the District possibly ending the fiscal year with a little cash. He added that this was largely due to internal savings made by the staff which had reduced expenditures, plus the fact that the payroll tax revenue was now a little higher than it had been. The long-range financial picture, he said, is still not very good. The best indication from the Federal government is that the Section 5 funds, from which the District receives operating grants, will be cut fairly extensively by the present administration. He added that capital grant funds will be cut also, but at the present we don't know by how much.

Mr. Kohnen asked for the Board's agreement in adding one item to the current activities/information items section of the agenda. That topic to be inserted was "Legislative Report by the General Manager." The Board agreed to the addition.

AUDIENCE PARTICIPATION: There was none.

MOTION  
NOTE

APPROVAL OF MINUTES: Upon motion by Dr. Loomis, seconded by Mr. Herbert, the minutes of the January 20, 1981 regular meeting were unanimously approved as distributed.

SALARIED EMPLOYEES RETIREMENT PLAN--4th AMENDMENT: Mr. Kohnen introduced this agenda item by explaining that he and Phyllis Loobey serve as trustees for the salaried employees pension plan, and that they also serve, with two union representatives, as trustees of the union pension plan. He stated that one problem they had been dealing with for a long time concerns an hourly employee under the labor plan who becomes a management employee. The plans are different, and in one particular case, a person who changed jobs lost some benefits. The trustees asked Craig Smith to write some amendments that would ease this problem.

Mr. Kohnen directed the Board to page 9 of the Board Agenda, to a summary of what would be accomplished by these amendments. He added that the actual amendments which would need to be adopted by the Board began on page 10.

Mr. Kohnen explained that the first amendment would change the number of hours of service necessary for a full year to receive a benefit that would correspond to the hourly employees' time. The second amendment covers the situation in which an employee transfers from one plan to the other and partial credit is lost, and says that the salaried plan would pick up the lost credit. He added that this can only be done with the salaried plan, not with the hourly plan.

(At this point Mr. Booth arrived at the meeting.)

Mr. Kohnen went on to say that the third item for the Board's approval on this subject is something that was noticed by legal counsel as needing to be changed.

Ms. Loobey added that the problem between the plans arises because one plan is based on the fiscal year and one is based on the calendar year. She said there would be a minimal cost to the plan for making this credit.

MOTION

Dr. Loomis moved that the staff recommendation be adopted, that is, that the Board adopt Salaried Employees Retirement Plan Amendment #4 as enclosed in the Agenda material. Mr. Herbert seconded the motion, and the

VOTE

APPOINTMENT OF SALARY SUBCOMMITTEE: Mr. Kohnen stated that in the past the Board has had a subcommittee to make recommendations for changes in the salary structure of the District employees. The subcommittee has reported to the Board and the recommendations have been made part of the salary structure. Subject to Board approval, Mr. Kohnen said, he would like to appoint a salary subcommittee consisting of Ted Langton as chairman and Dan Herbert, with himself as an ex officio member.

MOTION

Mr. Booth moved, and Dr. Loomis seconded, that the salary subcommittee be so appointed, and the vote was unanimous in favor of the motion.

VOTE

LEGISLATIVE REPORT BY GENERAL MANAGER: At this point in the agenda, Mr. Kohnen added the topic of "Legislative Report by General Manager" for discussion.

Ms. Loobey stated that she had testified before the House Intergovernmental Subcommittee on House Bill 2096, which would remove the requirement of ORS 267 to make the fleet 100% accessible and have it instead conform to the Federal law. She said there was also some testimony regarding senior fares as addressed in HB 2510. Roger Martin testified based on information she and Tri-Met gave to him. Ms. Loobey added that there will be a committee work session on both bills, and that the committee had taken no action on either bill yet. In response to a question from the Board, Ms. Loobey responded that Roger Martin testified that senior fares should be at the option of the local district; his testimony was in favor of the bill.

Ms. Loobey also discussed two other bills that she will be following closely: Governor Atiyeh's in-lieu-of-payroll tax bill, and a bill introduced by Glenn Otto that would tax all political subdivisions in the state. All subdivisions would be paying the payroll tax, including Higher Education and the cities, to name two. Ms. Loobey stated that she could see no problem with Governor Atiyeh's bill, which would involve a general appropriation from the General Fund. She added that her feeling is that Glenn Otto's bill will not be well received. If other jurisdictions had to pay payroll tax, they could possibly think they could ask LTD to pay for road repairs, etc., in the future. She added that LTD has been supporting Governor Atiyeh's bill.

Ms. Loobey went on to state that it was her understanding that a bill has been introduced or will be introduced that would raise the payroll tax to the statutory maximum of 1%.

Ms. Loobey told the Board that OTA is against the bill, which would allow LTD and Tri-Met to raise the maximum. She added that she had not seen a copy of the bill.

Mr. Booth stated that if all state subdivisions are going to be able to start taxing each other, LTD should not be in favor of such a bill. Dr. Loomis's opinion was that the Board should not commit itself until it is known whether or not the Governor's tax bill passes.

Mr. Kohnen asked a question regarding the "sunset portion" of Glenn Otto's bill. Ms. Loobey replied that the bill would "sunset" or reach its final phase on December 31, 1983. She added that Tri-Met had introduced a bill to raise the senior fare to 20¢ but they prefer Glenn Otto's bill because it gives them more leeway.

Dr. Loomis stated that he liked the fact that the Otto bill gives back to the local district the right to change the fares. He said that LTD has been listening to the senior and others who think the low rates should be raised, but we have been unable to do so.

Ms. Loobey said that most of the testimony on the bill was from the Portland area seniors, who are absolutely opposed to it. No one from the Eugene/Springfield area testified.

Ellen Bevington mentioned that the United Senior lobby, during previous legislation, had agreed that they would not send local delegations to oppose the bill, but they were not willing to commit funds to work against it either. Their feeling was that the LTD Board would be more committed to keeping lower fares than would Tri-Met.

Ms. Loobey told the Board that as President of OTA and in representing LTD, she would be testifying on several bills. She said that if there is any policy of OTA that is not consistent with LTD policy, she will not testify on that bill. She added that if there is no LTD policy, she will contact the Board members first before testifying.

Mr. Booth asked if that kind of information could be gathered by telephone, or if there would have to be a meeting of the Board.

Paul Shinn replied that it could be done by conference call. An emergency meeting could be declared in order to do that.

At this point in the agenda, Dr. Loomis asked the President if he could bring up a subject about which he was concerned. He had read something in that evening's paper which he thought the Board should act on. He was referring to statements made at the Eugene Planning Commission meeting about the legality of on-board bus advertising, and the possibility that the city ordinance could be changed so that it would not be allowed.

Dr. Loomis thought the Board should make a statement to the effect that the Board members feel they are acting in a legal manner and that it would be tremendously expensive to start changing now; that the statements of the Planning Commission are detrimental to LTD business and that the Commission should not interfere.

Ms. Loobey mentioned that Jim Pearson is the Planning Commission member who has raised the objection, and that the City staff is responding to his statements. At this point, she summarized the problem. She said that, in effect, Mr. Pearson's objection to LTD advertising on the buses stems from his understanding of what was going on during the setting up of the Eugene sign code. The question of whether or not LTD bus advertising is illegal due to the sign code came up at the Planning Commission meeting, directed to the Planning Commission staff. John Porter called Ms. Loobey and she told him that it was not illegal but there are certain restrictions that the District has to meet. She then had Randy Bryson, legal counsel for LTD, call John Porter, and that was the last she had heard from anyone on the city staff regarding that issue. She added that LTD was not advised that the issue would be on the Planning Commission agenda for that meeting. Ms. Loobey further stated that Jim Pearson wants to amend the sign ordinance so that LTD will not be allowed to advertise on the buses. The only advertising that would be allowed on vehicles would be on vehicles that were owned by the advertiser.

It was mentioned that before the ordinance could be changed, the Planning Commission would have to make a recommendation to the City Council and the Council would have to vote on it.

Ms. Loobey said that the staff had received three telephone calls that day in response to this article, from people who want to advertise and are wondering what is going on.

Mr. Herbert stated that he thought that if the Planning Commission believes the ordinance ought to be changed, they should try to do it without interference from LTD. In the meantime, he said, he didn't see that anyone had claimed that the bus advertising actually was illegal. He further stated that he thought there was no reason for LTD to do anything but to continue to implement the decision to advertise on the buses, but that if the issue came to a hearing, LTD should send representatives of the Board to state their position.

Dr. Loomis argued that in the meantime, the Planning Commission statement was scaring away LTD advertisers; that the advertisers don't want to be in limbo, and neither does LTD. Mr. Booth agreed with Dr. Loomis that the Board needed to take positive action to assure advertisers that the advertising program will go ahead as planned.

Ms. Roemer asked Ms. Loobey for her opinion on the subject. Ms. Loobey responded that she thought LTD needed to maintain good relationships with all city agencies and boards. She added that the Planning Commission would have to vote to have the issue go to the City Council, and there now doesn't seem to be that kind of sentiment in favor of Jim Pearson's stand.

Ellen Bevington added that the Planning Commission has directed that this issue come back before the Commission in 30 days, and that she thought LTD should be represented at that meeting of the Commission, since no one from LTD had been at the one where the subject came up. Her opinion was that LTD should take steps to work with the entire Commission instead of only one member or taking the issue directly to the City Council.

Mr. Booth disagreed, and thought the Board should make a strong statement that LTD will maintain its advertising program.

Dr. Loomis thought the Board could do what Ms. Bevington suggested, but should not wait 30 days to take action. He suggested the Board make a statement now that they hope the Planning Commission will see the justification of what LTD is doing, and that the Board will be prepared to testify in 30 days, but in the meantime will go ahead with the advertising program. He added that if nothing happened in 30 days, then the Board should go to the City Council and ask them if they will support the advertising program or not.

Mr. Kohnen said he thought the Board had studied this matter carefully and in good faith, after having been told that the advertising was legal. He suggested that the Board move on to the information items in the agenda, while Dr. Loomis prepared a motion for the Board to consider.

QUARTERLY BUDGET REVIEW: Mr. Kohnen and Mr. Booth commended Paul Shinn on a good report. Mr. Booth asked a question regarding the paragraph on revenue, and Mr. Shinn responded that service reductions were made on Saturdays and

Sundays, by 40%, but fares dropped in the five to ten percent range, and didn't register on the monthly figures.

Mr. Booth then asked regarding the expenses for recertifying. Mr. Shinn responded that the special program for handicapped patrons had previously had a large measure of fraud at the reduced fare, according to drivers. LTD staff purchased a photo identification machine, and now the patrons are issued cards with their photographs on them, and the cards expire every two years. He added that the District has a large inventory of film that will keep the program going, and said he thought that this method of recertifying would increase revenue over time.

Mr. Booth asked another question, this time regarding fuel price increases. Mr. Shinn projected no more than a 25% increase from January to June. So far the price had increased 7% since the deregulation. Mr. Shinn stated that he thought the price might go up one more time in the near future, but that he was unable to make projections after that. Mr. Kohnen added that the current budget projection is that the District may end up with about \$220,000 at the end of the fiscal year.

URBAN INITIATIVES GRANT: Mr. Kohnen stated that the Urban Initiatives Grant is dead unless funding can be arranged under some other grant program.

Mr. Booth asked if the District would be at the status quo for some time, including any other federal sources. Ms. Bevington replied that she didn't know, but that her best guess was that the next fiscal year would be unchanged with respect to any federal or local money.

There was some discussion regarding the possibility of pursuing other federal funds, and what might be considered qualifying portions of any plans to improve the downtown area. No decisions were made.

BUS ADVERTISING: At this point, Dr. Loomis said he was ready with a motion for Board discussion. Dr. Loomis moved that the LTD Board (1) strongly reaffirm its position on beginning a bus advertising program; (2) continue with its present course of seeking advertising through its advertising service; and (3) place advertising on buses that meets the present city ordinance and the guidelines developed by the LTD Board.

The motion was seconded and discussion followed. Ms. Roemer asked Dr. Loomis what he expected to happen as a result of the Board taking this stand. Dr. Loomis responded that he wanted to send copies to the Register Guard, to the Planning Commission, and to the City Council.

Mr. Herbert said that, in a general sense, he thought the motion was unnecessary; that he saw as a matter of fact that Board decisions continued until the Board changed them. However, he said, he would support the motion as long as it was not used to seek confrontation with other public agencies.

NOTE The question was put, and the vote was unanimous in favor of the motion.

RIVERIA TRANSIT STATION: Ms. Loobey informed the Board that the Riveria Transit Station project has begun, but that the 5th and North B Transit Station has made no progress. Mr. Kohnen commented that he had told the Springfield City Council during the previous week that the project would begin in June. Ms. Loobey responded that the staff hopes that is so. She said it would be good for the District's image if the 5th and North B station could be finished by the time Springfield unveils the new city hall. She added that staff are trying hard to get the project going, but it is a struggle to move it out of Salem.

COMPREHENSIVE SERVICE REDESIGN--IMPLEMENTATION TIMELINE: Mr. Kohnen called the Board's attention to the projected timeline for the Comprehensive Service Redesign that was enclosed in the Board packet for that meeting. Ms. Loobey mentioned the activities that need to be completed, including (1) the April 4 Transit Fair, (2) the April 7 Board work session, and (3) the April 21 Board approval. She added that if there are any delays in that schedule, the staff will have problems meeting the implementation deadlines.

SEVEN-ELEVEN PASS AND TOKEN PROGRAM: Ms. Loobey informed the Board that this program is going very well. Seven-Eleven has had amazing success with the sale of fastpasses and tokens, and Southland is excited about the program. She added that Tri-Met people are looking at a similar program in their area. Ms. Loobey also stated that this program is helping our business--LTD gets revenue ahead, and the load at the Customer Service Center at the beginning of each month is lightened.

Mr. Booth asked if the District is getting new customers from the program. Ms. Loobey responded that the staff does not know the answer to that right now, but that the total income for fastpasses is up.

PARK'N'RIDE IMPLEMENTATION: Dr. Loomis said the Board had waited a long time for this program, and he will be glad to see it work. Ms. Loobey stated that the staff had gotten good responses from area churches, and Ms. Roemer asked if any churches have been concerned about their parking lots deteriorating faster. Dave Kensler responded that the staff has accepted for the program only churches with lots that are structurally sound, and that there will be no buses traveling on the lots. He added that the staff will photograph where our parking spots are on the lots and will follow those spots carefully.

Dr. Loomis asked if the District is paying the churches anything, to which Mr. Kensler responded that the staff first wants to see how the program goes. If there are problems with litter, etc., the District may have to give money to a church youth group, for instance, which would then maintain the lot. He added that the staff did not want to commit to anything like that yet. He also said we are hoping that the churches will encourage their own congregations to use the park'n'ride lots, and that church members would be more likely to take good care of the lots as they are using them. In response to another question, Mr. Kensler stated that the lots in the total of 25 that are not park'n'ride lots are carpool lots in the city's program.

MARKETING ACTIVITIES REPORT: There was no discussion on this report.

MONTHLY REPORTING: Mr. Kohnen mentioned that the report shows a deficit in the working capital as of January 31, but that he understood that should be remedied when the Section 5 funds arrive. He added that the District will be pretty well debt-free for the rest of the year after the Section 5 funds come, and asked when the staff expected to receive those funds. Mike Merrell answered that the District's grant had been approved and the staff had requested reimbursement. He added that the District is out of debt right now because the payroll taxes have been coming in.

Mr. Booth asked if there were any changes in the information since the packet reports were prepared. Mr. Merrell responded that within a week or two he could give the Board a better answer--if another \$100,000 comes in, the District will be in a pretty good position, but if not, there could be a problem again.

Regarding the ridership report, Ms. Loobey stated that her projections had been wrong and Paul Shinn's had been right--ridership was down but revenue was up over last year.

BUDGET COMMITTEE MEETING: Under "Items for Action at Future Meeting," Mr. Kohnen announced that the first budget committee meeting would be on March 24. Mr. Shinn added that before that date is finalized, the staff would call the Board members. Mr. Booth and Dr. Loomis informed Mr. Shinn that that date is during spring break, and that they would both be out of town.

Dr. Loomis mentioned that he and Mr. Booth have a conflicting meeting on March 17 and wondered if the regular Board meeting could be changed for one month to the previous Tuesday, March 10. Mr. Herbert stated that he would be gone for that meeting, also.

Ms. Loobey informed the Board that some routine reporting may not be finished for an earlier Board meeting, but with the Board's indulgence and understanding in that regard, the meeting could be held earlier. Mr. Shinn added that the earlier meeting would have to be a special, or adjourned, meeting, but that we could put in the notice that there will be no regular meeting. One Board member would probably have to show up at the regular meeting on March 17 to adjourn it because of lack of a quorum.

Ms. Loobey announced that she will be in Washington, D.C. on March 10. She said that by advising the Board that she will be gone, the acting general manager would be able to preside at that meeting.

MOTION

Dr. Loomis moved, and Ms. Roemer seconded, that the meeting adjourn to an adjourned meeting of the Board on March 10, 1981, at 7:30 p.m. at the Eugene City Hall. The vote was unanimous in favor of the motion, and the meeting was duly adjourned.

VOTE

Secretary