

MINUTES OF DIRECTORS MEETING
LANE COUNTY MASS TRANSIT DISTRICT
REGULAR MEETING
April 21, 1981

Pursuant to notice given to the Register-Guard for publication on April 16, 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 April 21, 1981, at 7:30 p.m.

Present: Richard A. Booth, Secretary
Kenneth H. Kohnen, President, presiding
Ted J. Langton, Treasurer
Robert C. Loomis
Glenn E. Randall
Carolyn Roemer
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

News Media Representatives:

Marvin Tims, Eugene-Register Guard
Rosemary Reed, KEZI-TV
Skip Lindeman, KVAL-TV
Bruce Morton, KEED Radio

Absent: Daniel M. Herbert, Vice President

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Mr. Kohnen announced that the principal item on the agenda was the public hearing on the Comprehensive Service Redesign. He thanked those who came to attend the hearing, and explained that the Comprehensive Service Redesign (CSR) had been a major project of the staff and Board for the last six to eight months. He said that in addition to needing a general review of the system, the motivation for the CSR had been a shrinkage of the District's resources, involving severe cuts in service in January, and possibly further cuts in the fall. Mr. Kohnen told those present that in order to have the least bad impact on the community, the District had solicited a substantial amount of public input already, and would listen to more that evening. After hearing any additional testimony at the public hearing that evening, he said, the Board would be asked to vote on the system, unless their evaluation, based on the public testimony, would be to wait for further study. However, he said, the decision needed to be made

that evening or in the very near future because the Comprehensive Service Redesign would have a considerable impact on the budget. He explained that the District is now in the budget process and that contract negotiations would soon begin.

In detailing some of the public input received so far, Mr. Kohnen mentioned the neighborhood meetings which Board members and staff attended, on-board surveys, the Transit Fair, and said that Board members had also taken a bus tour of affected routes. He repeated that there had been an aggressive effort to achieve maximum public input, and that the result of that input is that the public believe, on the whole, that the system would be much better as designed in the CSR. He stated that there would be some reduction in travel time without a significant loss of coverage, and that some areas would have decreased service and in a few cases there would be no service, but that allocation of scarce resources will be to those areas affecting the most people. He explained that the areas where service has been reduced or eliminated are areas where ridership has been low in the past.

PUBLIC HEARING--COMPREHENSIVE SERVICE REDESIGN: Carlotta Jaynes of 1057 West Hilliard Lane spoke first. She said that she was attending the hearing to be sure that the CSR would be finalized as it was presented at the Transit Fair. She asked a question regarding transfer points and the Park Avenue route, and Ellen Bevington, Planning Administrator, explained that there would be a transit station at the corner of River Road and River Avenue and all routes in the area would go there, but that her route would still go downtown.

Clark Cox of 1085 Patterson Street, #9, spoke next, saying that he spoke partly as a private citizen and partly on behalf of the West University Neighbors. He said he saw a possible problem with off-peak headways, but that the lines seemed to be well thought out and that some of the West University Neighborhood area would have improved service. Also speaking on behalf of the Eugene-Springfield Railroad Passenger group, he said that there are not enough buses going past the Amtrak station, and suggested that the Santa Clara go on Fifth Street instead of Eighth past the train station; he stated that to help make the train succeed the community needs better public transit to the station.

There being no other public testimony, the hearing on the Comprehensive Service Redesign was closed.

AUDIENCE PARTICIPATION (Other than Comprehensive Service Redesign): An unidentified man from the audience asked why drivers were stopping to wait at points along their routes, or were leaving downtown late, since they were now making him late for work at the Post Office. Ms. Loobey replied that the drivers are supposed to adhere to their time schedules, and that every driver is checked about 60 times a year for Correct Schedule Operation (CSO). She added that if he wanted to make a formal complaint to the District, the staff would investigate it and inform him of the results.

MOTION APPROVAL OF MINUTES: Ted Langton moved, and Dick Booth seconded, that
VOTE the minutes of the March 10, 1981 adjourned meeting be adopted as circulated.
The vote was unanimous in favor of the motion.

COMPREHENSIVE SERVICE REDESIGN ADOPTION: Ellen Bevington, Planning Administrator, informed the Board that staff had received a petition and correspondence from Yolanda area residents, and that staff had decided that a feasible alternative to the service recommended in the CSR would be to delete service on Camelia and Virginia and maintain service at 60-minute frequency on Kathryn and Olympic.

MOTION Mr. Booth moved that the Board adopt the staff recommendation for the
VOTE Comprehensive Service Redesign, including the changes that Ms. Bevington had just described. Mr. Langton seconded the motion, and the vote was unanimous in favor of the motion.

REQUEST FOR COMPLIMENTARY PASSES/LCC SECOND LANGUAGE PROGRAM: Paul Shinn, Director of Administrative Services, opened this topic by saying that the staff had received a request from Lane Community College Second Language Program that Indo-Chinese refugees in the program be given complimentary bus passes. He informed the Board that the staff recommendation at the top of page 2 of the Agenda Notes is in error, and that the recommendation should actually read: That no action be taken until staff determine the revenue cost to the District of allowing such complimentary passes.

Mr. Shinn then introduced Ms. Toni Shapiro, of 1264 Pearl Street, Eugene, employed by the LCC Second Language Program. She stated that she would speak on behalf of the Southeast Asian refugee community in the Eugene-Springfield area. The English as a Second Language program works with about 125 refugees on a regular basis, where English instruction, survival training, and cultural orientation are offered free of charge at several different levels. She said that people are not coming to class because of the lack of transportation and child care, and that Childrens Services Division provides child care for new refugees, but not transportation. Ms. Shapiro stressed that if refugees are isolated in their homes, they do not become part of the community. She also said that the Federal government had issued new requirements that refugees from Southeast Asia on public assistance must attend classes in English for six months. She said the LCC program involves about 75 people who have been here for one year or less, including about 35 who have been here six months or less.

Ms. Shapiro then suggested that the District could perhaps supply bus passes for one year, or for the first six months of classes, or perhaps could give the refugees a limited number of tokens for attending classes. She added that the Second Language Program would be responsible for bookkeeping on their length of stay.

Next, Mr. Hung Ho of 427 East 13th Avenue, Eugene said that he knows people who have been here for a year and are afraid to go to the store, etc., because

of the language barrier. He said he thought it would be helpful if the Board would consider helping those refugees.

Mr. Kohnen asked where the classes are conducted. Ms. Shapiro responded that classes are conducted downtown, and added that the Adult and Family Services office would move away from downtown in the future. Mr. Kohnen then said that he would like to see the revenue costs and which options might be possible before responding to their request.

Mr. Randall asked if people are currently being denied benefits because they are not attending classes. Sherry Ferlacek, 564 Lindale Drive, Eugene, introduced herself as the program coordinator for the Second Language program at LCC, and said that no one has yet been denied benefits, since LCC has just been asked to take attendance. She also said that bus passes previously available through Childrens Services Division have now been cut, as have child care funds. She stressed that the refugees are here now and the community needs to facilitate their situation and what can be done to alleviate the taxpayers' burden to everyone's advantage. She said that it is not known what the AFS grants will be, but that these refugees will be penalized if they are not attending classes.

Mr. Randall then asked if, in Ms. Ferlacek's opinion, the people she represents would be adversely affected by this penalization a month from then, when the next Board meeting will be held. She responded that she did not know, but that people had previously been penalized for not accepting jobs, so this was not an idle threat on the part of the Federal government. Mr. Randall asked how many people were involved, and Ms. Ferlacek said that there is a total of 75 people in day and evening classes. Ms. Roemer asked if that many people were anticipated to enroll in the program each year, to which Ms. Ferlacek replied that Lane County has a small refugee population, and that employment is not good. The Second Language program anticipates their grant being cut due to the fact that out of the 400 anticipated refugees for this year, only 40 were enrolled in the program.

In response to a request made by Dr. Loomis for background information on the program, Ms. Ferlacek said that English as a Second Language has been a part of the Adult Basic Education program at LCC for about 10 years, for non-English speakers. She added that about 50% of the population of about 250 students are Southeast Asian, from Laos and Cambodia, and that they have minimal education in any of their own countries so their needs here are real.

Dr. Loomis asked who places these students in Lane County. Larry Gruman, 1760 East 27th, Eugene, who represented Oregonians to Save the Boat People, an orientation/hospitality organization, said that groups, usually churches, raise money and ask government programs for a family matched to the community group. Also involved in the match are county health departments, school systems, etc. Dr. Loomis then asked who supports the refugees when they arrive, to which Mr. Gruman responded that the government provides a very small stipend for them. Groups of families (like a church) raise \$1,500 to \$7,000

or \$8,000 to rent a house, etc., and have a moral responsibility to support a family for six months, and to teach the rudiments of living in this country and get the refugees started on language training. The goal is to keep the refugees off the welfare rolls, and most churches or groups find that they support ("keep under their wings") the families for a year or more.

Dr. Loomis asked how many of the families are on the welfare rolls right now, to which Mr. Gruman replied that less than 25% are.

Mr. Randall asked how many people would take the bus trip to LCC for the purpose of language training. Ms. Furlacek responded that there are 35 people who have been here six months or less. She said that some of the refugees are employed, but the idea of providing a \$20.00 bus pass for members of their families to go to school is not a possibility, since they are working in low-paying jobs due to their language deficiencies.

MOTION

Mr. Randall moved that the Board grant the request; that Indo-Chinese refugees in Lane Community College's Second Language Program be granted free bus passes to travel to and from Lane Community College to enable them to take classes to upgrade their English. The motion died for lack of a second.

MOTION

Mr. Kohnen said that the staff recommendation is that the matter be referred to the staff to work with the people from the English as a Second Language program in order to come back to the Board with a specific recommendation. Mr. Randall moved the staff recommendation, and Mr. Langton seconded the motion. Mr. Randall stated that he thought the Board would endorse this proposal in a month, and Mr. Kohnen said there were several questions that are unanswered and the staff need to work with the group for answers.

Dr. Loomis said that there were too many unanswered questions and that he thought it would be ludicrous to make cutbacks in service and then to give free passes to one group. He mentioned a piece of legislation in Salem that will raise senior fares up to 50% because the District cannot support the system, and said he thought that if the Board approved this request they would have every special interest group in Eugene asking for special privileges. Mr. Booth agreed with Dr. Loomis, saying that he felt that the whole concept of approving this motion would start a precedent that would be bad for the business management of the District.

VOTE

Mr. Randall stated that no questions asked that evening had been unanswered, that the Board had never before been asked to help a displaced group in need of help, and he asked for Board support. The question was put, and the motion failed on a tie vote, with Kohnen, Randall, and Roemer voting for the motion and Booth, Langton, and Loomis voting against it. Mr. Booth asked if staff were planning to pursue this subject and make the same request at a later meeting. Ms. Loobey responded that staff had been given no direction to do so. Mr. Kohnen thanked those speaking that evening on behalf of the request for their input.

TOKEN PROMOTION PROPOSAL: Ed Bergeron, Marketing Administrator, directed the Board's attention to his memo on page 30 of the agenda packet. He explained that the District had excess capacity on the buses at this point, and that ridership goes down when school lets out for the summer. Additionally, he said, people don't realize that they can save money by using tokens to ride the bus. Staff's proposal was for a five cent drop in the price of a token (to 50¢ each) to attract new riders to the system through the three-month summer period, and to alert people to fare options other than paying cash.

Mr. Booth said that this would be offered during a time of year when there is not a representative portion of the ridership, and that he didn't see that anything would come of it. Mr. Bergeron responded that one of the realities of which staff are aware is that many members of the public do not realize they can save money by using tokens; there is a lack of awareness regarding the alternatives to using cash. Mr. Booth stated that he didn't think a 5¢ drop would increase awareness, but that a promotional aspect would be more helpful. Mr. Bergeron agreed that the price change in itself will not increase awareness, but that the District would use the price change as a special message to the people to come and try the bus system now. The point is to try to establish some extra benefits in the public's mind--that it is a savings. He stressed that the program would not be a success if the staff were not able to promote it. He added that over the last several months staff have promoted fare alternatives but that the public is still unaware, and that staff believe that an extra "bonus" or "carrot" would attract public interest.

Ms. Roemer commented that if people will go to a gas station to save 1¢ or 2¢, they will look at a 5¢ token sale, because people are always attracted to a sale. She said she didn't see anything wrong with promoting that idea. Mr. Booth said he wouldn't expect ridership to increase because of this 5¢, but Ms. Roemer said it is a good way to make people aware of the District and fare alternatives. Dr. Loomis asked what would happen if this is very successful. He said the maximum risk is \$3,000 for three months, but the District could possibly make money, and he wondered if another proposal would be made after three months if this trial is successful. Mr. Kohnen noted that Mr. Bergeron's memo states that this promotion would be a testing ground to determine if permanent pricing adjustments should be recommended by staff.

MOTION
VOTE

Mr. Randall moved that the Board adopt the staff recommendation: that the Board authorize a five cent reduction in token prices in the months of June, July, and August. Mr. Langton seconded the motion, and the motion carried unanimously.

LEGISLATIVE UPDATE/POSSIBLE ACTION: Phyllis Loobey informed the Board that Glenn Otto of the House Intergovernmental Affairs Committee had agreed to amend House Bill 2510, the senior fare bill, to apply only to Lane Transit District, and would allow the District to set senior fares at up to one-half the regular fare at all times. She said that Paul Shinn, Director of Administrative Services, Leon Skiles, Service Analyst, and two seniors had testified a week ago before Glenn Otto's committee, and that the bill was passed out of

committee with a "do pass" recommendation, and that Vern Meyer would introduce the bill on the House floor sometime that week. She commented that it looks promising that the bill will pass.

Mr. Kohnen reminded the Board that they had discussed Senate Bill 685 at the April 7 meeting, but that no action was taken because the bill's sponsor was not at that meeting. He noted that a copy of SB 685 was enclosed in the agenda packet (page 31) and that Pat Randall, the bill's sponsor, was present.

Mr. Randall told the Board that he introduced this bill because of his strong feelings regarding continued operation of Lane Transit District. Under present local economic conditions and with the idea that the Federal government will not be providing any more funding, along with the assumption that the District might receive some funds from the local government in the form of an in-lieu-of-transit tax, he felt that the District is in serious financial trouble and has no means of protecting the continued operation of the system. He said that the District had less income last month (FY to date) than a year ago, and that the system is transporting fewer people than ever before, and said that the increase in fares has obviously left the District with less revenue and substantially less ridership. He went on to say that the TDP is full of references to the lack of ridership and public esteem due to the increase in the fares, and asked who will support the District if not the people of the community. Mr. Randall stated that the District is cutting back the system by 5% and projecting that that will increase ridership, but said he doesn't see any way it can reduce service and increase ridership and fares.

Mr. Randall then said that the only alternative is that of increasing the maximum allowable rate for transit district taxes. He stated that he hoped the District would never have to use the higher maximum, but that if the Board was going to live up to its responsibilities as a transit district board, the members would have to support this bill. He went on to say that he thought the employer payroll tax was an unfair bill, but that this is the only alternative the District has--that the District should never give up the hope to broaden the tax base, but at the present there is no other alternative than to increase the allowable tax in case it would have to be raised to preserve the system. He stressed again the need to make every effort to maintain the system, and said he felt very strongly about this matter.

Mr. Langton commented that farebox revenue did not decrease, to which Mr. Randall responded that there is no guarantee that it would continue to increase, only assumptions.

Mr. Booth mentioned that there may be another alternative that the Board could choose, although he did not feel it was viable. He explained that the law does allow the District to levy an income tax. He said he felt that the payroll tax is inequitable, and that in this community business is down substantially because of the main economic basis of the community. He said that there are fewer people in the community to serve because there are fewer jobs locally, and that it is reasonable for the system to adjust downward.

Mr. Booth went on to say that he didn't think SB 685 was appropriate because apparently the District's payroll tax revenues were staying about the same. He said it is unfair to ask people who are doing their best to keep people employed to pay additional taxes.

Dr. Loomis commented that he could only recall one month where farebox revenue, percent- or dollar-wise, has been lower than the previous year, and said that for this year, the farebox trend is upward. He also said that he agreed with Mr. Booth's comments about raising the payroll tax in these economic times. Dr. Loomis went on to say that there is also a trend for the payroll tax is beginning to come back up, and that the Board went on record in the last TDP to increase farebox revenue, with a goal to reach 30% by 1982. If the Board passed Mr. Randall's bill, he said, it would skew it back down to 20%. Dr. Loomis's last point was that he was concerned about an omission in the bill regarding governmental services, and that if the Board were to support this bill, they would certainly want to amend it to include governmental services.

Mr. Randall asked if the District is carrying 1.2 million fewer riders than one year ago, to which Ms. Loobey responded that it is. Mr. Randall then said that it is his impression that the District is to increase ridership, but that the increase in fares brought about a tremendous decrease in ridership.

Mr. Randall stated that he took exception to those who continue to say that this bill would increase the payroll tax. Instead, it would allow the Board to increase the payroll tax; it does not increase the tax itself.

Mr. Kohnen stated that he wished to clarify a few facts. First, he said, it is true that farebox revenue is up over the previous year, but it is not up near where it should be. Secondly, the District does have a tight financial situation, having had to cut back service one time already and expecting to have to do so again, although the Board and staff feel that the service under the new plan will be improved. Thirdly, he said, there is no question that the District needs a broader tax base, and the Board has consistently stated that over the year. Mr. Kohnen's last point was that the Board needs to support programs like Ed Bergeron talked about that evening, to get the farebox revenue where it should be.

Mr. Kohnen went on to say that he is not prepared at this time to support SB 685. He acknowledged that it would only be enabling legislation, but said the Board would immediately have to decide whether or not to use that enabling legislation. He stated that the Board should continue every effort to broaden the tax base and hope that the business community would be behind the District in that effort.

Mr. Kohnen stated that Mr. Randall had not represented in any way that he represented LTD on this bill. Mr. Randall read the statement he had made, which made it clear that he is not representing LTD or any other group, but himself only.

Dr. Loomis asked if the impression in Salem is that the Board supports this bill, and said that if it is, he would like to give negative support. Mr. Randall said that the only thing he can do is to say that the Board does not support the bill. Ms. Loobey stated that when the Board does not take a position on a given bill, she does not testify before any committee on that bill. She said that when SB 685 was before Senator Roberts' committee, there was some poorly worded testimony, and she was asked to testify before the committee that the Board had not taken any formal position.

MOTION Dr. Loomis moved that the Board take a formal position in opposition to
VOTE Senate Bill 685. Mr. Langton seconded the motion. The vote was 3 to 3, with Randall, Roemer, and Kohnen voting against the motion, and Loomis, Langton, and Booth in favor of it. The motion did not carry due to a tie.

MOTION Mr. Booth moved that Phyllis Loobey send a letter to the Chairman of
VOTE the committee regarding the three-to-three split of the Board regarding Senate Bill 685. Mr. Randall seconded the motion, and it carried unanimously.

BUDGET TRANSFER RESOLUTION: Paul Shinn informed the Board that out of 13 budget appropriations the District has each year, two will soon be overspent without some corrective action. One category, Administration Materials and Supplies, is due to overexpenditures for utilities--specifically, the telephone bill. This was the first year that utility costs were divided between departments, and too much was budgeted in Maintenance and not enough was budgeted in Administration, so that only the departmental breakdown is incorrect. The second category, Marketing and Planning Materials and Supplies, is over-expended due to unbudgeted costs of the Comprehensive Service Redesign program, mainly in printing and miscellaneous materials and supplies.

MOTION Mr. Booth moved the staff recommendation: that the enclosed (page 32 of
VOTE the agenda packet) transfer resolution be adopted. Mr. Langton seconded the motion, and the vote was unanimous (5-0) in favor of the motion, with Mr. Randall being out of the room at the time of the vote. A copy of the transfer resolution is attached to these minutes.

TRANSIT FAIR: A memo evaluating the transit fair was enclosed in the agenda packet, and Mr. Kohnen commended the staff for a good fair.

EMPLOYER PASS PROMOTION: Mr. Kohnen commented that the program has had good response from employers and that it had been a good program.

FIXED ROUTE ACCESSIBLE SERVICE: A memo from Leon Skiles was included in the agenda packet in regard to this topic, and Ms. Loobey announced that staff had been very pleased with the response of the public to this service.

INSURANCE BROKER SELECTION: Mr. Kohnen called the Board's attention to the memo from staff on page 36 of the agenda packet. He summarized the topic by saying that under Oregon Public Contract Law the District is required to

select a broker of record for a three-year period. The period of Fred S. James expires in 1981, so the staff have been obtaining proposals from a number of companies, assisted by Sam Huston and Associates. Mr. Kohnen said that now the Board needed a committee to select a few of the brokers to interview, and then to come back to the Board with a recommendation for action.

Mr. Kohnen said that, without objection from the Board, he would like to appoint himself and Ted Langton as a committee for this process.

Ms. Loobey stated that all proposals had been received, and now the District had to evaluate the proposal of the present broker of record along with all others. She added that the present broker of record could be reappointed.

PAYROLL TAX EXEMPTIONS--REAL ESTATE AGENTS: Mr. Kohnen informed the Board that the Department of Revenue had ruled that real estate agents are independent contractors and, therefore, their wages are exempt from payroll taxes, retroactively to July 1, 1978. Ms. Loobey said that staff did not yet know what the impact of this ruling will be on the District, but that a statement from one real estate firm that wanted their money back had been received. Mr. Shinn said that the worst guess would be \$50,000 per year, and that that is pessimistic; staff just had no way to know at that time what the impact would be.

BUDGET COMMITTEE LETTER--ON-BOARD ADVERTISING: Mr. Kohnen called the Board's attention to the Budget Committee letter, drafted by staff as directed by the Budget Committee, enclosed on page 44 of the agenda packet. He stated that the hearing before the City Council would be on Monday, April 27, and that the District will make a presentation asking the Council not to follow the recommendation of the Planning Commission. He added that other groups and individuals had indicated that they would support the District's position.

SECTION 5 OPERATING ASSISTANCE: Ms. Loobey stated that there would be a pro forma hearing at the May 19 Board meeting regarding approval of the application for Section 5 assistance, even though funding is uncertain. It was decided that the hearing would be held and the District would have the grant in hand in case the Federal government takes action, in order to avoid any further delay in obtaining the funds if they become available.

CAPITAL GRANT BUDGET: Mr. Kohnen commented that at the May 19 meeting the Board would also consider any further property improvements under the capital grant.

MOTION
VOTE

ADJOURNMENT: Mr. Langton moved and Dr. Loomis seconded that the meeting be adjourned. Mr. Randall voted against the motion, and all others voted in favor of it. The meeting was duly adjourned.


Secretary