

MINUTES OF DIRECTORS MEETING
LANE COUNTY MASS TRANSIT DISTRICT
REGULAR MEETING

September 21, 1982

Pursuant to notice given to the Eugene Register-Guard for publication on September 16, 1982, and distributed to persons on the mailing list of the District, the regular meeting of the Board of Directors of the Lane County Mass Transit District was held at the City Hall in Eugene, Oregon, on September 21, 1982, at 7:30 p.m.

Present: Peter M. Brandt
Janet Calvert
Janice Eberly, Secretary
Ted J. Langton, President, presiding
Larry Parducci
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

Absent: Glenn E. Randall, Vice President/Treasurer

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Mr. Langton commented that although the agenda for the meeting was short, the items were important. One of the most important tasks for the evening, he said, was to hold a public hearing on the District's application for Section 3 capital grant funds, and to either approve or reject the application found in the agenda packet.

MOTION APPROVAL OF MINUTES: Mr. Brandt moved, seconded by Ms. Calvert, that the minutes of the August 31, 1982 adjourned meeting be approved as distributed in the agenda packet. The motion carried on a unanimous vote.
VOTE

PUBLIC HEARING--SECTION 3 CAPITAL GRANT APPLICATION: Mr. Langton opened the public hearing on the District's application for Section 3 capital grant funds. He stated that the application was for the purpose of replacing the twin coaches and to purchase computer hardware and software and miscellaneous office equipment. He informed those present that the application in its entirety was in the Board agenda packet and available to the public. Mr. Langton asked for participation from the audience and from the Board members, but there was none. He then closed the public hearing.

MOTION UMTA SECTION 3 CAPITAL GRANT--APPROVAL OF GRANT APPLICATION: Ms. Calvert moved that the Board adopt the resolution found on page 14 of the agenda packet, authorizing the filing of an application with the Department of Transportation for a grant under the Urban Mass Transportation Act of 1964, as amended. Mr. Brandt seconded, and with no further discussion, the motion carried by unanimous vote.
VOTE

AUDIENCE PARTICIPATION: Mr. Langton then asked for audience participation on any other subject. Clark Cox, of 1085 Patterson, Eugene, spoke first. He had a question regarding the September 26, 1982 timetables for the Fox Hollow route. Leon Skiles, Service Analyst, stated that there was an error in the timetable, and clarified the information for Mr. Cox.

A gentleman residing at 2236 Ridgeway Drive spoke regarding the District's planned elimination of bus service on Goodpasture Island Road. He mentioned a planned 188-unit development in that area, and said the route served a tremendous population. He asked the Board to consider his plea that the District reconsider eliminating service on that route.

The next speaker was a woman residing at 2274 Ridgeway Drive. She introduced a Cambodian refugee who would be starting school at Lane Community College the day after bus service on her street would be discontinued. The speaker stated that the 3/4 mile walk to Norkenzie and Minda was dark and unsafe, with poor lighting. There had already been one incident of the student being followed by a car from her house to K-Mart. She stated that there was no way her friend could attend an 8:00 class at LCC, and requested that the Board reconsider deleting their service.

Mr. Langton responded by saying that ridership has been very low on that route. He said the District would give consideration to their request, but that it is difficult to maintain service in areas where it is not being utilized. He said he lives in that area and it appears that the service there would be highly used, but that population and ridership are not necessarily correlated. He stated that that route was scheduled to be discontinued, but there was no reason it could not be replaced if the need was present. He thanked the speakers for their input.

RISK MANAGEMENT TRUST ACCOUNT: Gary Deverell, LTD's Safety and Training Supervisor, introduced Mike Lewis from Tromp and McKinley, the District's insurance agent of record, and Dale Allore, the Manager of Brown Brothers in Eugene. He then asked for questions from the Board on this topic.

Mr. Brandt asked a question regarding the necessity to be able to write a check immediately in order to close a claim. Mr. Allore replied that this is a fairly standard practice in the business, and that it was far better than allowing a claim to linger. He explained that it is not a necessity that a check be in hand to settle a claim, because a signed release is a contract. However, he said, some people are nervous about signing a release without payment, and the District can lose the advantage if the situation lingers overnight or two to three days.

He went on to say that they had never had a release broken; if the District fulfills its end of the contract it is a valid contract. He thought the only way a release could be broken would be for alleged coercion or some misrepresentation. He added that many times a claimant will not execute a release until compensation is in hand. Mr. Allore further stated that he knew that there were times when they could have settled claims if they had had the ability to present payment at that moment.

Mr. Lewis stated that issuing a check immediately is an extremely common practice for other entities that have entered programs of self-insurance. He explained that any claim of any seriousness would go beyond the \$1,000 limit, but the claims which would be settled immediately would be claims which are clear cut situations that can have a positive public relations impact. He also stated that there would be very few situations when Gary Deverell or some other representative of the District would not be giving clearance for such action.

Mr. Brandt then asked what kind of report describing the claims the District would receive. Mr. Allore replied that a report goes to their office from Gary Deverell, then they keep the file open for inspection, but do not make a report to the District. Karen Brotherston, the District's Accountant, added that LTD receives a report from the adjusters on what they spent, and that there is no problem getting support for that expenditure when requested. Mr. Allore stated that Brown Brothers could supply the District with a copy of the executed release and documentation for the amount, and that their files contain the originals on everything that is done in a claim. He added that they fill out a worksheet which itemizes their time and efforts for claims when they submit a bill.

Mr. Lewis mentioned that 92% to 95% of all transit claims have been less than \$1,000. Mr. Brandt asked if the District would be giving more money away by settling immediately than by waiting for people to forget, but the response was negative.

Ms. Eberly asked why there needed to be two signatures on checks for amounts under \$1,000, since the emphasis was on settling immediately and two people would not likely be together to sign checks. Ms. Brotherston replied that none of the District's accounts have just one signature, but consensus among Board members was that one signature would be sufficient for those amounts under \$1,000. Ms. Brotherston thought that, for reasons of control, the Accountant should be removed from that category for check signing authority.

MOTION Ms. Eberly moved that the resolution be corrected to show that only one signature would be necessary for amounts not exceeding \$1,000, and that the Accountant not be one of those signators. The motion was seconded and carried by unanimous vote.
VOTE

MOTION Mr. Brandt then moved that the Board adopt the resolution as corrected.
VOTE Ms. Eberly seconded, and the motion carried unanimously. Mr. Langton thanked Mr. Lewis and Mr. Allore for attending the meeting and answering their questions.

MOTION Mr. Brandt moved that the Board adopted Chapter 8 with the amendments shown in the agenda packet on pages 65 and 66. Ms. Eberly seconded the motion, which then carried by unanimous vote.
VOTE

LOCAL MATCH FOR DIAL-A-BUS VEHICLES: Mr. Langton introduced Leon Skiles, Service Analyst, who was the staff person responsible for special services.

As background, Mr. Skiles explained that Dial-A-Bus (DAB) began as a curb-to-curb service in 1976. It originally was run internally and the District supplied

the buses and drivers. Last year the District selected Special Mobility Services (SMS), a non-profit organization, to provide that service as a subcontractor. In February of 1982, SMS began partial operation of DAB services, operating three vehicles, and in June of 1982 SMS took over complete operation of the service. Previous to that time, in anticipation of receiving the curb-to-curb contract, SMS had applied for a 16(b)(2) grant, which is available only to non-profit organizations. The application was approved and funds were allocated in August of 1982.

Mr. Skiles went on to explain that the grant required 20% local match, and the vehicles cost about \$33,000 apiece. In order to secure those vehicles, he said, the District needed to supply the local match. He explained that SMS is not in a position to supply the funds, and they have difficulty obtaining loans because their contracts are short-term. He said that LTD's contract with SMS is for service for which we reimburse them for actual services. They run no deficit and make no profit. If they were to obtain a loan, it would be as if the District held that loan.

Mr. Brandt asked if there was a ceiling on those costs. Mr. Skiles replied that there is a not-to-exceed figure in the contract. He added that, in spite of a 10% reduction in the contract value this fiscal year, as budgeted, SMS is still able to run the same level of service and should be 10% below for the rest of the year. Their employees are not members of a bargaining unit and they are able to run DAB service for \$8.00 a trip.

Mr. Skiles further explained that currently SMS used three small lift-equipped vans and three or four Dial-A-Buses, which they lease from the District for \$1.00 a month each, and which the District maintains. The DAB's are old and not in good working order. The 16(b)(2) funds would replace the DAB's and one of SMS's vans. The cost of running those new vehicles, in terms of maintenance and fuel, would be substantially lower than running the Dial-A-Buses. Mr. Skiles said that the District would get a residual value on the vans when SMS's contract is finished, and there are several other municipalities and agencies working on special services for the future. He said that there is a possibility the District could donate the local match for the vans obtained through this 16(b)(2) application to a consortium, and that having them in the area would greatly insure the continuation of the curb-to-curb service and would help the District continue to work on fixed route accessibility.

Mr. Skiles stated that SMS's contract will expire in January of 1984, and neither SMS nor any other agency has the expectation that that contract will be renewed. He said it could be renewed, but only with other participants in addition to LTD.

Mr. Brandt asked a question regarding the qualifications for riding Dial-A-Bus. Mr. Skiles gave examples, and explained that the multiply handicapped cannot use fixed route service. In the future, he said, the restrictions could be

tightened to lessen the demand for curb-to-curb service, because at the present there are "able bodied handicapped" who can ride the buses but cannot use stairs. With 100% accessibility on the District's buses, those people could use fixed route service.

Mr. Skiles went on to say that SMS would have four new vans (widened and heightened Dodges), and would retain two of their own vans. They now charge the District 17¢ per mile depreciation on those vans and for maintenance. There would be no depreciation charge for the 16(b)(2) vehicles, and maintenance charges would be on actual costs.

Ms. Calvert asked why the difference in insurance costs. Mr. Skiles replied that it has to do with the value and capacity; with smaller vans than the Dial-A-Buses, there would be the capacity to carry fewer people and, therefore, less liability.

Mr. Langton asked why the figures for fuel were different in options one and two in the agenda packet. Mr. Skiles explained that was due to how they use the vehicles. At the present, they rely more on their own vehicles because they are more fuel efficient and dependable, but that would change with the new vehicles.

MOTION Mr. Brandt moved that the Board approve the staff recommendation to provide the 20% matching funds to Special Mobility Services for the purchase of lift-equipped vans, as explained in Option 3 on pages 67 through 71 of the agenda packet. Ms. Calvert seconded the motion. With no further discussion, the motion carried unanimously.
VOTE

STATE IN-LIEU-OF PAYROLL TAX: Mr. Langton commented that this subject had been discussed previously and deferred until the September meeting. The opinion earlier had been that the District would probably not have to reimburse money received in this way, but that had now been reversed. The amount of money involved would be approximately \$75,000. The question before the Board, he said, was whether that amount of money should be set aside, a step which could impact the District's budget by the end of the fiscal year, or sooner, if the District finds itself short of funds. That amount would then be shown as a reduction in revenue and could not be spent.

MOTION Ms. Calvert moved that the staff set aside a Certificate of Deposit for \$75,000 as a contingency reserve against a refund in the State In-Lieu-Of Payroll Tax program. Ms. Eberly seconded, and the motion passed on a unanimous vote.
VOTE Ms. Brotherston explained that the District hadn't actually received any of the money yet, but had been counting on it in the budget.

MOTION EXECUTIVE SESSION PURSUANT TO ORS 192.660(1)(e): Ms. Calvert moved, seconded by Ms. Eberly, that the Board move into Executive Session pursuant to ORS 192.660 (1)(e), for the purpose of conducting deliberations with persons designated by the governing body to negotiate real property transactions. With no further discussion, the motion passed unanimously.
VOTE

RETURN TO REGULAR SESSION: After returning to regular session, Mr. Langton introduced Judy Nelson, who would be an official member of the LTD Board of Directors as of October 1, 1982.

Ms. Calvert commented regarding the Lane County Fair Service. Ed Bergeron, Marketing Administrator, explained that the District carried 129,600 people that week, or 2½ times the norm. He stated that the District had received lots of positive support, and that the message seemed to have gotten across that the Lane County Fair Board paid for the service. He said that the District carried more persons to the Fair itself, by about 40%, than the Fair Board did when they provided the service themselves, and that as many as 20-30% of fairgoers rode the bus on any particular day.

Ms. Calvert then asked about the Valley River Center promotion. Mr. Bergeron replied that ridership increased about 30-35% over the norm, but that staff were a little disappointed and the process seemed to have been a somewhat complicated. However, he said, staff did receive positive feedback, and there was a benefit in participating in a joint promotion with Valley River Center, with a potential for better things in the future.


Ms. Eberly asked a question regarding the Special Committee on Transit. Ms. Loobey answered by stating that Nancy Matela, Administrative Analyst, was preparing a draft letter for review, and that the selection process was under way.

Mr. Brandt asked about the safety of investing funds. Ms. Brotherston replied that the District would hold investments to \$100,000 or less, in order to be 100% insured. At this time, she said, rates are so low that all of the District's money is in the Local Government Investment Pool, which pays 10¼% as opposed to local rates of 9% to 9½%.

There followed some discussion of the current court proceedings. Ms. Loobey stated that the judge's decision on the temporary injunction would be handed down on October 12.

MOTION
VOTE

With no further discussion, Ms. Calvert moved, seconded by Mr. Parducci, that the meeting be adjourned. The motion was adjourned by unanimous vote at 8:40 p.m.


Secretary