

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Monday, January 19, 2005

Pursuant to notice given to *The Register-Guard* for publication on January 14, 2005, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held its regular monthly meeting on Wednesday, January 19, 2005, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Susan Ban, Vice President, presiding
Dean Kortge
Debbie Davis
Mike Eyster
David Gant, Secretary
Dave Kleger, Treasurer
Ken Hamm, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Gerry Gaydos, President

CALL TO ORDER – Ms. Ban called the meeting to order at 5:35 p.m.

ROLL CALL – General Manager Ken Hamm called the roll.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA – Ms. Ban announced that Mr. Gaydos, as the annual campaign chair for 2004, was attending the annual United Way meeting and one of LTD's faithful riders was being recognized as Volunteer of the Year. She requested the permission of the Board to move immediately into executive session to receive information regarding labor negotiations. There were no objections.

EXECUTIVE (NON-PUBLIC) SESSION PURSUANT TO ORS 192.660(2)(d), LABOR NEGOTIATIONS

MOTION Mr. Eyster moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Kortge provided the second.

VOTE The motion was approved as follows:
AYES: Ban, Davis, Eyster, Gant, Kleger, Kortge (6)
NAYS: None
ABSENTIONS: None
EXCUSED: Gaydos

The Board entered executive session at 5:38 p.m. Members of the District's negotiating team were present for this discussion with the Board. Upon a motion by Mr. Eyster and seconding by Mr. Kleger, the Board unanimously returned to open session at 6:26 p.m.

EMPLOYEE OF THE MONTH - Director of Maintenance Ron Berkshire introduced Administrative Support Associate Doris Dioszeghy, who was selected as the February 2005 Employee of the Month. Mr. Berkshire said he had worked with Ms. Dioszeghy for more than 17 years and described her as not only a good employee in terms of her tasks, but also as someone who truly cared about each individual and recognized and valued each person's diversity. Mr. Hamm noted that Ms. Dioszeghy was an exceptional employee who demonstrated her commitment to the organization as a whole, not just within her department.

Ms. Dioszeghy thanked the Board the award.

AUDIENCE PARTICIPATION – Carol Seaten of Eugene spoke to the Board regarding the impact of reductions in service routes on her family and the community. She explained that she wanted the LTD system to be the best and appreciated those services that were available. She said when routes were reduced it sometimes forced people to buy cars. She related that her grandson used the bus to get to school and it required three transfers; he now had to either purchase an adult token and a day pass or purchase three child tokens when previously he could use a pass to get from point A to point B. She said that no longer being able to purchase tokens and passes at places such as convenience stores placed a burden on many people. She said that she had four grandchildren using the bus and hoped for changes that would make it easier to use transit, such as passes with photographs for young people and those with disabilities, and more service for people with night jobs who needed the bus.

ITEMS FOR ACTION AT THIS MEETING

MOTION **A. Consent Calendar** – Mr. Kleger moved adoption of LTD Board Resolution No. 2005-001: "It is hereby resolved that the Consent Calendar for January 19, 2005, is approved as presented." Mr. Gant provided the second. The Consent Calendar consisted of the minutes of the December 15, 2004, regular Board meeting.

VOTE The Consent Calendar was approved as follows:
 AYES: Ban, Davis, Eyster, Gant, Kleger, Kortge (6)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Gaydos

B. Pioneer Parkway EmX Corridor Project Goal and Objectives – Director of Development Services Stefano Viggiano explained that specific goals for the Pioneer Parkway Corridor were a federal requirement as part of the environmental process. He said that a proposed goal and six objectives were reviewed by the Board at its December 2004 meeting and objective #5 had subsequently been revised at the request of the Board. He said that three options for a revised objective #5 were included in the agenda packet. Staff were recommending option 1: "Seek opportunities to enhance the safety and operations for pedestrians, bicyclist, and motorists using the corridor."

MOTION Mr. Kortge moved adoption of LTD Board Resolution 2005-002: "It is hereby resolved that the LTD Board of Directors approves the Pioneer Parkway Corridor Bus Rapid Transit Goal and Performance Objectives in accordance with option 1 as recommended by staff." Mr. Kleger provided the second. Mr. Gant requested a roll call vote.

VOTE The motion was approved as follows:
 AYES: Ban, Davis, Eyster, Kleger, Kortge (5)
 NAYS: Gant (1)
 ABSENTIONS: None
 EXCUSED: Gaydos

ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

Board Member Reports – Ms. Ban reported that the Metropolitan Policy Committee (MPC) held a meeting on January 13, 2005, which consisted primarily of reports. She said that the MPC also had met on December 30, 2004, and took action on plans that were required by federal regulations to be adopted prior to the end of the calendar year. She said that the MPC had established a Citizen Advisory Committee that would be operational in February 2005.

General Manager's Report – Mr. Hamm highlighted a number of future dates for Board activities, including Board work sessions and public hearings on February 7 and March 14, 2005, and regular Board meetings on February 16 and March 16, 2005. He noted that the United Front effort in Washington, D.C., would occur the second week in March 2005. He said that the work sessions with public hearings in February and March were scheduled in the Bascom-Tykeson Room at the Eugene Public Library, which was fully accessible and across the street from LTD's downtown station.

Board Calendars – Ms. Ban referred members to copies of the calendars that had been distributed.

Mr. Kleger asked if the Board would proceed with its annual strategic planning work session in the event of a strike. Mr. Hamm related that Mr. Gaydos had indicated that the Board would proceed with its business as usual and a suitable location for the work session was being researched.

Mr. Kleger noted that he would need transportation assistance to the work session in the event of a strike.

Mr. Gant mentioned that his participation was subject to jury duty.

Mr. Hamm distributed and reviewed a draft strategic planning work session agenda with times and suggested topics for discussion. He said that LTD had engaged a consultant to prepare data on the current economic environment to provide a context for discussion of financial goals. He requested feedback from Board members.

Mr. Gant cautioned that when an economic forecaster was employed, his or her objectivity should be assured and the selection process should be transparent. Government Relations Manager Linda Lynch replied that the selection process was well documented and the presentation would be objective and fact-based information, not interpreted data. She said that consultant selected also had provided forecast information for TriMet.

Ms. Ban asked Board members to let staff know of any suggestions for additional topics.

Monthly Financial Report – Director of Finance & Information Technology Diane Hellekson said the report was similar to the previous month and there was some good news on the payroll tax revenue. She was cautiously optimistic that recovery was somewhat faster than anticipated in the long-range financial plan update from 2004 and assumptions would be slightly improved when the plan was presented again to the Board. She said that fuel prices continued to be higher than budgeted and union wages were higher than budgeted because there was still no new labor contract. She said that she likely would come to the Board in June 2005 with some budget housekeeping items so that appropriations were consistent with revenues and expenses.

WORK SESSION

A. Financial Trends Review – Ms. Hellekson distributed a spreadsheet entitled *10-year Fiscal Excerpts* that contained highlights from the Comprehensive Annual Financial report distributed to the Board at its December 2004 meeting. She said the purpose was to review the past ten years and highlight milestones for LTD and demonstrate some of the effects of the economic downturns and fare decisions. She reviewed the following items of interest:

- Collection of self-employment tax receipts – steady increase from FY 1995-96 through FY 1998-99, declined during FY 1999-2001, resumed increase in FY 2001-02
- Payroll tax receipts – steady increase with slight decline in FY 2001-2002, which triggered cost-saving measures related to personnel services expenses and service in the long-range financial plan
- Passenger fares – increased in FY 2002-03, accompanied by some decrease in ridership that was improving slowly
- Personnel services – implemented service reductions in FY 2002-03 to bring expenses under control
- Capital projects – eliminated transfers from general fund to capital fund in FY 2002-03 in an effort to stabilize fixed-route services and minimize impact of reductions on the community

Ms. Hellekson said that transfers to the Capital Fund were resumed in the current year in order to access formula funds that required match. She noted that the Board's position was not to allow those formula funds to be lost and the plan contemplated transfers each year of the exact amount needed to match those formula funds.

Mr. Kleger asked what the difference was in cost for a bus if the funds had to be borrowed for the match instead of using saved funds. Ms. Hellekson said that given the current low interest rates, it was more of a timing issue; there were occasions when borrowing funds was an acceptable option. She said it was good news that payroll tax revenues would stabilize at a higher level than anticipated.

Mr. Eyster asked if the improved outlook for payroll tax revenue meant there would be no tax increase. Ms. Hellekson said the long-range financial plan assumed a tax increase and the Board would make that decision. She noted on the spreadsheet that the cost of accessible service was increasing while State support was flat.

Mr. Kortge questioned whether accessible service was an unfunded mandate. Ms. Hellekson said it was an under-funded mandate and funding came from cigarette taxes and other sources. She said that the Oregon Department of Transportation was supportive of efforts to maintain investments in quality accessible services. She said she would present a revised capital improvement program to the Board at its February 2005 meeting and a revised long-range financial plan at the March 2005 meeting. She noted that the Budget Committee would meet on April 27-28, 2005.

B. Progressive Corridor Enhancement – This item was postponed to a future meeting.

C. Franklin EmX Design Review – This item was postponed to a future meeting.

ADJOURNMENT: The meeting adjourned at 7:25 p.m.



Board Secretary

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