

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING

Wednesday, May 11, 2005

Pursuant to notice given to *The Register-Guard* for publication on May 10, 2005, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special meeting on Wednesday, May 11, 2005, beginning at 5:30 p.m., in the LTD Board Room, 3500 E. 17th Avenue, Eugene.

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

Absent: --

CALL TO ORDER: The meeting was called to order at 5:35 p.m. by Board President Gerry Gaydos.

SPECIAL SERVICE POLICY: Director of Marketing and Communications Andy Vobora noted that the Board has asked to have a discussion on LTD's Special Service Policy. He explained that there were two types of service that were different from the regular fixed-route service. Community event service was open to the general public. Charter service was designed to meet the needs of a specific group of individuals. The Federal Transit Administration (FTA) required that transit systems offer charter services only in limited situations and charge fees that totaled the District's fully allocated costs. However, the FTA did not require charging the fully allocated costs for community event service, and transit systems differed in how these services were designed and paid for. Mr. Vobora then briefly discussed the types of service outlined in the 1995 update of the Special Service Policy.

Mr. Vobora noted that a representative of the Oregon County Fair (OCF) had testified at a previous Board meeting. At that time, the Board had taken action to keep the OCF at the rate of \$78 per hour.

Mr. Vobora reviewed the table on page 7 of the agenda packet showing LTD's special service pricing scenarios. He reviewed the current charges and showed what different events would be charged if the District used the fully allocated costs, direct variable costs, full direct costs, or a combination of costs. He stated that if fully allocated costs were used, some events could not afford the service. In that case, LTD would not have the revenue, but also would not have the expenses associated with providing those services. The full direct costs added in some of the supervisory costs but not all overhead costs. He explained that staff were recommending a combination of the fully allocated costs for large events that required more staff work and supervision and full direct costs for smaller event services that were not so staff and time intensive.

He noted that the current full direct cost was \$71, but staff did not recommend reducing special event service costs from their current charge of \$78. Rather, staff recommended holding the cost to \$78 until the full direct cost caught up, and then increasing with future increases in the full direct cost. The larger events would pay the fully allocated cost (currently \$91 per hour).

Mr. Gant wondered if some event providers such as the University of Oregon would wonder why they were being charged more than others. Mr. Vobora said that the UO recognized that football and basketball service required additional supervision and staff time, and that staff could defend the fully allocated cost rate. He explained that football service required about 18 additional staff plus all the bus operators on game days. Mr. Hamm noted that some staff also volunteered their time on those days.

Mr. Eyster asked how staff would decide who was charged each rate. Mr. Vobora said that staff had a good sense of what it would take to implement services. They would analyze service requests if there were any questions.

Mr. Gaydos and Mr. Eyster suggested that criteria could be identified in the policy itself. Mr. Gant suggested something like "level one" and "level two" services. Mr. Kleger suggested listing what staff would look at in determining the level of service; i.e., what needed to be considered to provide a certain level of service. He did not think this could be done with a formula. Mr. Kortge was concerned that if this were not in the policy, people would think that they could just buy a certain level of service.

Mr. Kleger asked about some of the differences in supervisory commitment. Mr. Vobora explained that the Lane County Fair required one LTD coordinator at the fair site and one roving in the community. The Oregon Country Fair provided staff at the fair and at the Eugene Station.

Mr. Gaydos said he liked Mr. Kleger's suggestion for "consideration," so LTD would not have to list "x" number of supervisors, etc. Mr. Kleger thought that staff also should consider the proportion of the fleet that would be committed, as well as supervisors. He also thought that if enough extra hours of mechanics were required to get buses ready for regular service again, that would be an additional cost.

Mr. Vobora asked if the Board members were comfortable using the recommended combined costs. General Ledger/Grant Accountant Todd Lipkin explained that the lower amount, the direct cost, was based on the previous fiscal year with a 5 percent multiplier, and did not accurately reflect fuel prices or overtime pay. Mr. Gaydos said he was comfortable with the recommended \$78 for direct costs. Mr. Vobora said that there could be a standing review each year after the audit numbers were available.

The Board took no action on this item, but asked that it be brought back to the Board .

LONG-RANGE FINANCIAL PLAN: Finance and Information Technology Director Diane Hellekson note that on April 15 the Board has discussed various scenarios and instructed staff to come back with another one that increased the payroll tax beginning in 2007. In the new scenario, only one variable had changed. That was the payroll tax change and the date of change. This scenario showed no increase in the first three years. This meant that LTD would be entitled to increase the payroll tax by .002 in the fourth year, and then by .002, .002, .001, .001, and .001 in the following years. No transfer to capital was proposed in 2006-07.

Mr. Gant asked when the Board would need to act. Ms. Hellekson replied that the Board had said that it would like to begin to act in September, and to modify the ordinance only one time by including the dates of future increases. Future Boards could modify the ordinance if they wished. The Oregon Department of Revenue would have to be notified about the change in the summer of 2006, in order to print new forms.

Mr. Eyster moved for approval of LTD Resolution No. 2005-014: Resolved, that the LTD Board of Directors approves recommended changes to the LTD Special Service Policy, as presented on May 11 2005. Mr. Kleger seconded the motion.

The resolution was approved as follows:


AYES: Ban, Davis, Eyster, Gaydos, Kleger, Kortge (6)
NAYS: Gant (1)
ABSTENTIONS: None
EXCUSED: None

The next item on the agenda was scheduled for 6:20 p.m. Because the Employees of the Month had not yet arrived, the Board took a break from 5:55 p.m. until 6:20 p.m.

EMPLOYEE OF THE MONTH: Bus Operator Gail Johnson and Transit Operations Supervisor Ralph Dinnel were honored as the May and June 2005 Employees of the Month. Ms. Johnson, hired in late 1998, has earned awards for five years' safe driving, two years' CSO, and two years' excellent attendance, and also has received zero complaints in the past five years. She was nominated by a guest who appreciated her help with seniors getting situated on a crowded bus. Transit Operations Director Mark Johnson praised Ms. Johnson for taking care of her customers with care and compassion on a daily basis. After receiving her award, Ms. Johnson said that it was a privilege and an honor to be able to drive for LTD, and that she enjoyed what she did and enjoyed the people,

Mr. Dinnel was hired as a bus operator in 1992 and promoted to supervisor in 1999. He received seven years' safe driving awards, the second place award in the 1999 Bus Roadeo, and two nominations for excellence in providing service to persons with disabilities. He was nominated for his help locating a missing reduced fare rider after receiving a call from Portland. Mr. Johnson commended Mr. Dinnel for his calm manner and his excellent work in managing special events service, especially the transition at Autzen Stadium. After receiving his award, Mr. Dinnel thanked the Board and explained the situation in which the lost person was found within a matter of minutes by sending a description over the District's new radio system.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 6:28 p.m.


Board Secretary