

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, June 15, 2005

Pursuant to notice given to *The Register-Guard* for publication on June 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 Board meeting on Wednesday, June 15, 2005, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

Absent: David Gant, Secretary

CALL TO ORDER – Mr. Gaydos called the meeting to order at 5:30 p.m.

ROLL CALL – General Manager Ken Hamm called the roll.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA – At Mr. Hamm's request a presentation on the youth pass program was added to the work session.

BOARD CALENDARS – Mr. Hamm called the Board's attention to the following activities: June 16 Employee Barbecue and Potluck; June 17 General Manager's Award of Excellence presentation; June 23 Martin Luther King Parkway extension groundbreaking; June 23 celebration of 20 years of accessibility for LTD; June 24 visit by Federal Transit Administration Director of Civil Rights Michael Winter to discuss bus rapid transit (BRT) and accessibility; and June 27 demonstration of North American Bus Industries (NABI) Los Angeles bus model. He noted that there would be no Board meeting in July.

WORK SESSION

Franklin/I-5 Interchange Study – Oregon Department of Transportation (ODOT) Senior Planner Tom Boyatt explained that the State was in the process of replacing the cracked Interstate 5 (I-5) bridge over the Willamette River, the first phase of which was the \$20 million temporary structure now in place. He said the temporary bridge was likely to remain in place for ten years while the environmental and design processes for building a permanent replacement bridge were completed. He indicated that the replacement of the I-5 bridge had prompted renewed discussions of an interchange at Franklin Boulevard and the opportunity to potentially incorporate

new ramps into the replacement bridge. He emphasized that the bridge project would move forward independently of ramp connections for a number of reasons, including timing of Oregon Transportation Improvement Act (OTIA) funding and the need for pre-project planning and project development work necessary to compete for federal dollars to build an interchange. He reviewed project phases:

- Phase 1 – scoping, stakeholder input
- Phase 2 – community dialogue, decision process, action by elected officials
- Phase 3 – planning, analysis
- Phase 4 – environmental document

Mr. Boyatt noted that the structure of regional governance under the Metro Plan required that the elected bodies for Lane County, Springfield, and Eugene all needed to support amendments to the plan. He said that ODOT had pledged \$2.75 million for an environmental impact statement (EIS) for ramps if the decision was to proceed. He described details of the project phases and the public involvement, information collection and analysis, and decision-making processes.

Mr. Kleger asked if an amendment to Trans Plan would be required. Mr. Boyatt said that would occur in Phase 3, depending on the results of Phase 2.

Mr. Boyatt said that a problem statement was being drafted as a preliminary to the National Environmental Policy Act (NEPA) process. However, ODOT wanted the local community to demonstrate support by including the project in plans before the NEPA process was started.

Mr. Kortge asked why the interchange project was being considered. Mr. Boyatt replied that it was in response to community interest in having better access to the downtowns of both Eugene and Springfield, but it was unknown whether an interchange would enhance or detract from the larger system circulation.

Board Strategic Planning Work Session Staff Assignments – Assistant General Manager Mark Pangborn reviewed the list of issues developed at the Board's April 14-15, 2005, work session. He pointed out that the issues had been organized into categories and provided a brief update of progress on various issues. He said that staff were working on a grading system for productivity categories and anticipated bringing something to the Board in the fall. He said that service standards were being examined in anticipation of the budget review. He said that payroll tax briefings were ongoing with various interest groups and the Board would likely consider an ordinance to codify the tax increase before the end of the year. He said a frequently asked questions (FAQ) and response sheet would be provided to Board members.

In response to a question from Mr. Gaydos, Mr. Pangborn said that a Human Resources Strategic Plan fell under the labor negotiations category but was also a broader issue that was reflected in other categories.

Mr. Gaydos reported more interest in the payroll tax increase during a second presentation to the Eugene Chamber of Commerce and felt it was important to continue to discuss the issue with community groups. He said there was some ongoing concern from the business community regarding the need for additional funding for transit and the use of new technologies, such as clean fuel technology. Mr. Pangborn acknowledged concerns about the potential risks of using new technology. Mr. Hamm added that the Environmental Protection Agency was driving emissions standards increasingly higher and manufacturers were forced to move to new

technology without fully testing it, resulting in similar problems with all buses using that technology.

Mr. Kortge remarked that it was a matter of timing and it was important for Board members to have that information in order to respond to concerns about new technology that were raised in conjunction with the issue of a payroll tax increase.

Mr. Pangborn said that the Board would receive quarterly progress updates.

Bus Advertising Program Contract Renewal – Mr. Pangborn introduced Kathy Wilson of Lamar Advertising, which had recently purchased Obie Transit Advertising. He said that the results of recommended action would have staff proceed with renewal of the advertising contract in November 2005, not January 2006 as stated in the agenda packet material.

Mr. Pangborn reviewed the history of bus advertising and noted that it had been a significant source of revenue in some years, with current revenues approximately \$250,000 annually. He asked the Board to affirm the staff recommendation to continue the bus advertising program and noted that both the Breeze and EmX services would not be included.

Mr. Eyster commented that he liked the additional revenue and felt that the advertising enhanced the appearance of buses. Mr. Pangborn said that a survey conducted in Seattle indicated the community overwhelmingly preferred advertising on buses.

Mr. Kleger observed that advertising was LTD's only major volunteer subsidy and it was important to retain it.

Youth School Bus Pass Program – Commuter Solutions Program Manager Connie Bloom Williams reminded the Board that one of the goals of the Commuter Solutions Program was to conduct outreach, education, and awareness in schools to build transportation programs with younger people. Another goal was to expand the group bus pass program and eventually have all regional high school and middle school students on a bus pass program. She introduced Lisa VanWinkle, project lead for the Smart Ways to School program.

Ms. VanWinkle reported that Smart Ways to School began as a two-year research program to reduce energy consumption associated with the school commute by motivating change at the family, school, neighborhood, and regional levels through promoting travel options. She listed the program's partners, which included the Oregon Department of Energy (ODOE), ODOE Business Energy Tax Credits (BETC), LTD, regional school districts, the cities of Eugene and Springfield, Lane Council of Governments, Lane Regional Air Pollution Authority, Lane County, and ODOT. She said the program began with 12 participating middle and elementary schools in the Bethel, Eugene and Springfield school districts. She reviewed the data collected from surveys of elementary and middle school parents regarding how students traveled to school and whether other methods of travel would be considered.

Ms. VanWinkle reported that more than 200 parents expressed an interest in the program and provided contact information. Written responses to the concept were very positive. She said that research results indicated that a significant potential existed to reduce the number of cars associated with the school commute. Strategies to effect change included free carpool matching, help for families to organize walk and bike groups, contests at schools, media campaigns, promotion of bus use, and collaboration with other community groups. She said a follow-up

survey would be conducted to measure program impact for a final report to summarize the project and key findings. She related that the program plan for 2005-06 was to serve all public and private K-8 schools in the Bethel, Eugene, and Springfield school districts.

AUDIENCE PARTICIPATION – Mr. Gaydos determined that there was no one wishing to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION A. Consent Calendar – Mr. Kleger moved adoption of LTD Board Resolution No. 2005-016: "It is hereby resolved that the Consent Calendar for June 15, 2005, is approved as presented." Mr. Kortge provided the second. The Consent Calendar consisted of the minutes of the April 20, 2005, regular Board meeting; the May 11, 2005, special Board meeting; the May 18, 2005, canceled Board meeting; approval of Resolution Reaffirming LTD Boundaries for FY 2005-06; and approval of Commuter Solutions Supplemental Budget for FY 2004-05.

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

B. Surface Transportation Program – Urban (STP-U) Funds – Director of Development Services Stefano Viggiano stated that STP-U funds were allocated both directly to the State and to metropolitan areas with populations of more than 200,000. He said that allocation of the funds provided directly to the metropolitan area was decided locally by the Metropolitan Policy Committee (MPC).

According to Mr. Viggiano, the MPC allocated in 2003 the STP-U funds that were estimated to be available over the next three years, but the estimate was conservative and an additional \$1.3 million was available and needed to be allocated to projects that could be completed or well under way by the end of FY 2006. He said that the funds would be available in the following categories:

Preservation – 60%	\$780,000
Planning/Modernization – 30%	\$390,000
Transportation Demand Management (TDM) – 10%	\$130,000

Mr. Viggiano stated that the criteria for projects were the same as those used in 2003, with 20 points for leveraging other funds in the project, 60 points for supporting policies in the Regional Transportation Plan (RTP), and 20 points for supporting targeted transportation performance measures in the RTP. He listed the three projects for which staff recommended submitting applications and reviewed each of the application forms:

Articulated Buses (2):	\$170,000
Transit Signal Priority:	\$60,000
Eugene Station Improvements:	\$90,000

Ms. Ban asked if there was an advantage to submitting applications in the preservation category rather than the modernization category. Mr. Viggiano replied that it depended on the other applications that were competing in a particular category.

Mr. Gaydos asked if signal priority would present any expense to the City of Eugene. Mr. Viggiano replied that the City would perform an analysis at each intersection and some funds were set aside to assist with that.

In response to a question from Mr. Eyster, Mr. Viggiano replied that the signal priority project qualified for only 50 points because no other funding was involved in the project.

Mr. Gaydos suggested that the staff time contributed by the City could be credited toward other funding for the project. He asked how the Eugene Station improvements would impact the fixed-route system. Mr. Viggiano said that it would provide greater flexibility at the station to accommodate articulated buses.

Mr. Viggiano noted that the \$130,000 in TDM funding would go to the Commuter Solutions program but an application still needed to be submitted. He said that if approved by the Board, the applications would be submitted to the MPC in July 2005.

Mr. Eyster asked if the articulated buses had the same engines that previously had experienced problems. Director of Maintenance Sam Marra replied that the engines would not be the same although it was not actually the engine that caused the current problem.

Mr. Gaydos suggested that the applications should stress wherever possible how roadways benefited from LTD services.

Mr. Eyster commented that some stops in the system had been removed and not yet replaced. He asked if the STP-U funds could be used for bus stops or shelters if replacement costs were a concern. Mr. Viggiano replied that STP-U funds were allocated in 2003 for shelter replacement. There typically was a short delay in replacing a shelter, although some had been permanently removed because of low ridership. Mr. Hamm shared that boarding counts might prompt the relocation of a shelter elsewhere in the system. Mr. Pangborn added that delays also occurred because it was more efficient to have a crew install all shelters at once.

MOTION Mr. Kleger moved adoption of LTD Resolution No. 2005-019: "It is hereby resolved that the LTD Board of Directors approves submitting applications for STP-U funds for the three projects recommended by the staff as follows:

Articulated Buses:	\$170,000
Transit Signal Priority:	\$60,000
Eugene Station Improvements:	\$90,000

Ms. Ban provided the second.

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

C. Supplemental Budget for Fiscal Year 2004-05 – Director of Finance & Information Technology Diane Hellekson explained that the supplemental budget, which had been discussed extensively at previous meetings, was necessitated by a new labor contract and high fuel costs. She said the supplemental budget did not mean that more money would be spent, but rather that funds would be shifted within the budget to match appropriations with expenditures at the end of the year. She said the amount involved in the supplemental budget was not large enough to require a public hearing and could be accomplished by resolution.

MOTION Mr. Eyster moved approval of Resolution 2005-020, amending the LTD fiscal year 2004-2005 budget as represented in the resolution. Mr. Kortge provided the second.

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

Mr. Hamm announced that Ms. Hellekson and the finance staff received for the ninth year the Government Financial Officers Association Certificate of Achievement for Excellence in Financial Reporting. He said that LTD was regarded by federal auditors as a model of financial excellence.

Ms. Ban encouraged staff to publicize the award, particularly as the issue of a payroll tax increase continued to be discussed, to assure the community of LTD's high standards for financial stewardship.

D. Budget Adoption for Fiscal Year 2005-06 – Ms. Hellekson provided a brief overview of the budget. She said the budget before the Board for adoption had been approved by the Budget Committee in May 2005. She said the budget maintained the current investment in fixed-route service, reflected the new labor contract, and was driven by estimates for operating expenses that were heavily influenced by fuel. She noted that fuel prices had begun to stabilize.

Public Hearing

Mr. Gaydos opened the public hearing.

Mr. Kortge commented that one member of the Budget Committee had voted no.

Mr. Gaydos determined that there was no one else wishing to speak and closed the public hearing.

Board Deliberation and Decision

Mr. Kleger commended the Budget Committee for its extensive, thoughtful discussions of the budget.

There was a general discussion of ways to increase support for transit in the community.

Ms. Davis emphasized the need for Board members to have answers to questions that were frequently raised as they discussed the payroll tax increase with community groups. She said that those discussions could represent an opportunity for positive public relations.

MOTION Mr. Kortge moved approval of Resolution No. 2005-021, adopting the LTD fiscal year 2005-2006 budget and appropriating \$69,884,220 as represented in the resolution. Mr. Kleger provided the second.

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

E. Progressive Corridor Enhancement – Mr. Viggiano stated that the Board was being asked to approve the selection of the Lane Community College (LCC)/River Road route as the first progressive corridor enhancement corridor. He reminded the Board that there were four levels of progressive corridor enhancement with Level 1 being transit signal priority, which would be implemented wherever possible throughout the community, and Level 4 being a full EmX corridor. He said the proposal for the LCC/River Road corridor was Level 2, which was still within the realm of conventional service. He said that staff expected that the funding would come from the new transportation bill, approximately \$3 million. He illustrated corridors on a map and said that Mr. Carey would review the staff's decision process and recommendation.

Project Engineer Graham Carey used a system map to illustrate the cross-town routes considered for corridor enhancement. He reviewed the criteria used to select routes for progressive enhancement and stressed the importance of through-routing from one side of the community to the other side as a factor:

- High established ridership
- Ability to form a cross-city route
- Logical connections
- Ability to consolidate existing routes into a single corridor
- Complementary service frequency
- Easy to implement progressive enhancement

Mr. Carey discussed the other routes that were considered for the first progressive corridor enhancement and why they were not selected. He said the conclusion at this time was that the two most logical routes to join together to form a single route were the LCC and River Road routes. He used a system map to illustrate the current service routes and the proposed changes with corridor enhancement. He emphasized that continuing the current level of service to the Whiteaker neighborhood was important and providing some type of connector service to the development area north of Beltline was also a consideration. He said that the River Road station was a valuable Park and Ride facility and would continue to be used; the proposal would take the River Road route through the River Road station to a terminus farther north of Beltline where other routes would feed into it.

Continuing, Mr. Carey said the LCC/River Road route was being recommended because it met the selection criteria, it had complementary service between LCC and River Road, there was an opportunity for signal priority along River Road, little would need to be done in the way of stop

consolidation along River Road, and it would be relatively easy to achieve Level 2 progressive corridor enhancement on the route. He said that unresolved issues included late night/school vacation schedules, operator restrooms at both ends of the corridor, and a turnaround north of Beltline. He said the Bus Rapid Transit Steering Committee recommended the corridor to the Board.

Mr. Kleger commended the work of the committee and staff and agreed with the recommendation. He noted that the issue of access north of Beltline to the system was critical to marketing the service.

MOTION Mr. Kleger moved approval of LTD Resolution No. 2005-022: "It is hereby resolved that the LTD Board of Directors approves the selection of the LCC/River Road corridor as the first Level 2 Progressive Corridor Enhancement corridor." Mr. Kortge provided the second.

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

F. Youth School Bus Pass Program for 2005-06 School Year – Ms. Williams related that a high school bus pass pilot program was underway. It was hoped that this pilot program would evolve into a regional high school bus pass program.

Ms. VanWinkle said that the LTD bus pass program was piloted at high schools but encouraged the Board to think of it as a student pass program. She said the purpose was to reduce school-related traffic, increase transit ridership among high school-aged youth, and decrease fuel consumption. She said the strategy used was to offer students at selected schools the opportunity to ride LTD free beginning February 1 through June 30, 2005, any time of the day and any day of the week that buses were running. She related that the program was supported by BETC funds and was currently serving 4,900 students at 11 participating high schools in the Bethel, Eugene, and Springfield school districts.

Ms. VanWinkle reported that 55 percent of students in the participating schools obtained a sticker that allowed them to use the bus and 25 percent of those students had not been frequent LTD riders. She said the highest usage occurred at North Eugene and Willamette high schools; a week-long count conducted each month of the program and during February 2005 showed that stickers were shown more than 7,000 times to board the buses; a full report on ridership during the program would be available. She noted that Eugene 4J School Board chair Beth Gerot encouraged making the program available to middle school students.

Ms. VanWinkle stated that the program was predicated on receiving approval for a Business Energy Tax Credit (BETC) through the Oregon Department of Energy and continuation of Pacific Continental Bank as a partner. She indicated that the bank was likely to remain a program partner. She reviewed options for the Youth Bus Pass Program for the 2005-2006 school year:

Option 1: All public and private high schools plus one public middle school in each district – 13,750 students

Option 2: All public and private high schools and middle schools in Eugene-Springfield area
– 22,246 students

Mr. Viggiano pointed out that receipt of BETC funding would make the program revenue-neutral.

Mr. Kleger asked if there were plans to tie the program into a marketing effort for the summer youth pass. Ms. VanWinkle said that those students currently on the program were offered an option of purchasing a two-month pass at \$22.

Mr. Kleger noted that the proposed motion indicated that the program was contingent upon receipt of BETC funds.

Ms. Ban asked if there were any reasons not to include all middle school students that resulted in the two program options. Ms. Van Winkle said there could be some operational concerns if very large numbers of students participated. Mr. Viggiano said that staff was confident that LTD could meet the demands of an expanded program with the availability of BETC funds. Ms. VanWinkle added that staff also thought that the Board might want to consider an option for incremental expansion along with the full expansion proposal.

Ms. Williams said that the School Transportation Task Force had recommended the option to expand the program to all middle and high schools.

MOTION Mr. Eyster moved approval of LTD Resolution No. 2005-023: "It is hereby resolved that the LTD Board of Directors approves implementation of the Youth School Bus Pass Program for all public and private middle and high school students in Eugene-Springfield during the academic year 2005-2006 as recommended by the staff, contingent upon the program receiving Oregon Department of Energy approval of its Business Energy Tax Credit (BETC) Application for Preliminary Certification, and assuming that securing a BETC Pass-through Partner will be easily achieved. Ms. Ban provided the second.

Mr. Viggiano noted that BETC funds were received after the conclusion of the program and would not be available until the next fiscal year.

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


ITEMS FOR INFORMATION AT THIS MEETING

General Manager's Report – Mr. Hamm pointed out internal activities related to the pension trusts for the ATU pension plan and the administrative retirement plan as well as the Joint Insurance Committee (JIC). He said that staff had been working on a human resources/labor relations plan and strategies and would ask the Board for comments on how to involve the Board in that process. He said that staff continued to meet informally and formally with internal and external leaders and the discussions had been collaborative in nature. He felt there was a willingness among those involved to seek opportunities to create a different environment.

Monthly Financial Report – Ms. Hellekson reported that the report was for the eleventh month of LTD's current fiscal year and the preliminary report provided by Board members at the end of July 2005 would include the supplemental budget approved earlier in the meeting.

ADJOURNMENT

The meeting was adjourned at 7:51 p.m.



Board Secretary

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