

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, March 15, 2006

Pursuant to notice given to *The Register-Guard* for publication on February 9, 2006, 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, March 15, 2006, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

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

Absent: David Gant, Secretary  
(one vacancy)

**CALL TO ORDER** – Mr. Gaydos called the meeting to order. Ms. Davis was not yet present.

**ROLL CALL** – General Manager Mark Pangborn called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Gaydos announced that he and Ms. Ban had been reappointed to their Board positions by the Governor, although those appointments would have to be confirmed by the Senate. He said that there had not yet been an appointment to fill the vacant Board position.

**ANNOUNCEMENTS AND ADDITIONS TO AGENDA** – There were no announcements or additions.

**BOARD CALENDARS/APRIL BOARD WORK SESSION** – Mr. Pangborn said that the Pioneer Parkway approval process was happening in April and he wanted to schedule a work session during the first week in April in order to maintain the sequence of activities, including approval of a preferred design by the Springfield City Council on April 17. Board members agreed to an April 3 work session.

In response to a question from Mr. Eyster, Director of Development Services Stefano Viggiano said that staff would meet with business owners along the route prior to the Board's work session.

Mr. Pangborn announced that the citizen (non-Board) members of the Budget Committee would meet for an informational briefing on April 12 and Board members were welcome to attend. He

said the American Public Transportation Association (APTA) would hold a training conference April 30 through May 3 and an annual conference in October. He asked Board members to let staff know if they were interested in attending either event.

Ms. Davis arrived at 5:45 p.m.

## WORK SESSION

**District Liability Insurance Overview** – Director of Human Resources and Risk Management Mary Neidig introduced Jeff Griffin and Tammy Fitch of Wilson-Heirgood Associates Insurance to present an overview of liability insurance.

Mr. Griffin discussed risk management and said the majority of lawsuits resulted from human error. He listed those areas in which liabilities were likely to occur, including injuries, general liability (Oregon tort 30.260-30.300), employment law (Title 42), contracts, budget, regulatory, ultra-virus, and personal. He noted that 80 percent of lawsuits were in the general liability category under Oregon tort law. He stressed that in order to avoid legal action related to employment, it was important for a public entity to have current written policies, provide training for employees, establish a zero-tolerance policy, and prohibit retaliation when an allegation was made. He said that contracts must be reviewed constantly and renewed in a timely manner, adopted budgets must be adhered to or formally revised, standards and practices should assure that regulatory requirements are met, and legal authority should not be exceeded. Regarding personal liability, he said that Board members were protected as long as they operated within the authority of the Board and not as individuals. He urged Board members to refer complaints to the full Board or to staff instead of attempting to resolve them.

Ms. Fitch reviewed coverage limits and deductibles under the current LTD insurance policy. She pointed out that it was the practice of the District to accept some risk exposure with higher deductibles.

Mr. Gaydos asked how construction activities were addressed and whether the District or the contractor assumed liability. Mr. Griffin replied that liability was clearly delineated in the contracts and the District did not take ownership until it took possession. He used new buses as an example.

Mr. Pangborn said that the District participated in the Special Districts Association of Oregon and one of the purposes was to pool resources to assist districts with similar issues and concerns.

**EmX Franklin Corridor Vehicles: Possible Purchase of Sixth Vehicle** – Director of Development Services Stefano Viggiano reported that a key issue during the Annual Route Review (ARR) was frequency of EmX service. The options were 10-minute service or 12-minute service. The Board Service and Marketing Committee decided that 10-minute service was essential. That would require four buses to operate, leaving only one spare bus under the current purchase agreement for five vehicles. He said the committee also felt strongly that the District should be able to maintain 10-minute EmX service, which would be challenging with one spare, and therefore had recommended purchasing a sixth EmX vehicle. He said that the Board Finance Committee had concurred with the recommendation.

Mr. Viggiano indicated that nine vehicles would be required for the Franklin and Pioneer Parkway EmX service, providing seven vehicles in service with two spares. He said that the original plan was to purchase five vehicles now and four with the Pioneer Parkway project; the recommendation was to shift the timing and purchase six vehicles now and three later. He said that a separate action on the recommendation was not required; action would occur with adoption of a Capital Improvements Program that included either the original plan for EmX vehicle purchase or the recommended revision.

#### **ITEMS FOR INFORMATION AT THIS MEETING**

**Pioneer Parkway EmX** – Mr. Viggiano explained that the District was working on an aggressive timeline and staff were holding discussions with businesses and residents along the corridor. He said access concerns were primarily from those along Harlow Road; there was mostly support elsewhere along the route. He said that public feedback and proposed solutions would be communicated to the Springfield City Council.

**Interstate 5/Franklin Boulevard Interchange** – Mr. Viggiano said that \$400,000 was appropriated in SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) to explore the option of adding improved connections from Interstate 5 to Franklin Boulevard during studies of the permanent replacement bridge. He said that the Oregon Department of Transportation (ODOT) had determined that there was no transportation problem to be solved and interchange improvements were a local economic development and community access issue. He said that Eugene and Springfield would take the lead in studying an interchange and LTD would not have a major interest in the matter from a transit service perspective.

Mr. Kortge asked if an interchange would have an impact on EmX. Mr. Viggiano replied that there could be some impact on EmX during construction on Franklin Boulevard but the designs being considered would not require rebuilding of any part of the EmX project.

**Federal Transit Administration (FTA) Small Starts Program** – Mr. Viggiano reminded the Board that SAFETEA-LU included a provision for Small Starts and in January FTA issued an advanced notice of proposed rule-making. He said staff were following the process closely and commenting on the proposed rules. He said main issues included what types of projects were eligible for funding and how projects were evaluated. He noted that the Small Starts program was created in part because of bus rapid transit (BRT). There is somewhat of a disagreement regarding justification criteria between BRT and streetcars. BRT projects are generally intended to address mobility needs, while streetcar projects typically focused on economic development purposes and less on transportation. Many of the comments to FTA were from proponents of both types of projects.

Assistant General Manager Linda Lynch added that while there was funding for Small Starts in the budget there were no projects in the queue and LTD was amending its federal appropriations request to request funds in the first year of available funding for Small Starts projects.

**ConnectOregon Update** – Ms. Lynch reported that LTD was contacted by the manager of the ConnectOregon program advising that part of the District's application would qualify for road

funds and therefore was not eligible for ConnectOregon funds. She said that staff reconstructed the application and instead of the \$7.6 million originally requested for transit lanes for RiverBend access and other purposes, \$5.4 million was requested for stations on the Pioneer Parkway corridor. She believed that the revised application would be competitive.

Mr. Kortge asked if that meant the District would have to request road funds from the County instead of the State. Ms. Lynch replied that the County Road Fund co-mingled state and federal funds, making them unusable for transit use. She said if ConnectOregon funds could be secured for the stations, those funds would more likely qualify as match for the District's federal funds than the previous application for transit lane funding.

**EMPLOYEE OF THE MONTH** – Transit Operations Manager Mark Johnson introduced April 2006 Employee of the Month John Dukes. He said that Mr. Dukes, a bus operator, was a relatively new employee but had 22 years of experience with another transit district. He said Mr. Dukes was nominated by his passengers for exceptional customer service.

Mr. Dukes thanked the Board for his award and recognition and the District for allowing him the discretion to serve customers appropriately.

Mr. Pangborn said that Mr. Johnson was scheduled to make a future presentation to the Board on how the District handled customer complaints and compliments.

Ms. Ban suggested submitting an article to *The Register-Guard* describing how LTD handled customer complaints and problems.

**AUDIENCE PARTICIPATION** – Mr. Gaydos called for comments from the audience on non-agenda topics.

Gary Williams, Mayor of Cottage Grove, related concerns from residents about standing on buses during the Cottage Grove/Eugene commute. He said the Cottage Grove City Council was unanimous in requesting an additional bus on that route in the morning. He said that residents were also interested in adding a later bus in the evening to allow more commuters to use transit. He conveyed the sentiments of a constituent who had ridden LTD buses since the service became available in Cottage Grove that LTD drivers were great. He said the constituent was passionate about the fact that drivers provided extra assistance and he had heard from many others in the community that the treatment and courtesy extended to riders were much appreciated.

Ron Pettiti, Mayor of Creswell, reiterated Mr. Williams' remarks about increased service to Cottage Grove and Creswell. He said that Creswell had been one of the fastest growing cities in the state for a number of years. He said that Creswell was improving the Park & Ride facility in conjunction with its new City Hall project and felt that it would be difficult to attract new riders with standing-room-only buses.

#### **ITEMS FOR ACTION AT THIS MEETING**

**MOTION** **Consent Calendar** – Ms. Ban moved adoption of LTD Board Resolution No. 2006-009: "It is hereby resolved that the Consent Calendar for March 15, 2006, is approved as presented."

Mr. Eyster provided the second. The Consent Calendar consisted of the minutes of the February 13, 2006, special Board meeting and the February 15, 2006, regular Board meeting.

VOTE The Consent Calendar was approved as follows:  
 AYES: Ban, Davis, Eyster, Gaydos, Kortge (5)  
 NAYS: None  
 ABSECTIONS: None  
 EXCUSED: Gant

**Fiscal Year 2006-07 Pricing Plan and First Reading of Amended Fare Ordinance** – Director of Marketing and Planning Andy Vobora related that the pricing proposal had been discussed by the Board at two previous meetings and presented to the community during open houses. He said the next step was the first reading of the ordinance, followed by second reading and adoption at the April 2006 Board meeting. He said the ordinance would go into effect July 1, 2006, if approved.

MOTION Mr. Kortge moved that Thirteenth Amended Ordinance No. 35 be read by title only. Ms. Ban provided the second.

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

Mr. Pangborn read the ordinance by title: "Thirteenth Amended Ordinance No. 35: An Ordinance Setting Fares for Use of District Services."

**Revision of LTD Group Pass Program Policy** – Mr. Vobora explained that the group pass program had been in existence since 1988 and that the basic concept behind group pass pricing was that it was a revenue-neutral position. He illustrated how that functioned with most groups in terms of a predictable number of members using the program. He said a club that was participating in the program was soliciting membership by offering discounted LTD passes and that was inconsistent with the program's policies to improve the farebox-to-operating-cost ratio and accomplish revenue neutrality. He said the new language would more clearly identify group pass target organizations as well as the program's purpose and goals and discourage groups from attempting to generate revenues through the group pass discount. He said the District's attorney had worked with staff to develop the proposed language.

Mr. Eyster cautioned about unintended consequences as a result of the change. Mr. Vobora agreed that the intent was to remain flexible and creative while protecting the District's interests.

Ms. Ban asked if language to define eligible groups could be developed. She used the example of seniors who participated at Willamalane Senior Center, which was more like a club, but still a somewhat static group. She said the intent was to work with groups whose size did not change significantly over time. Mr. Pangborn said one of the issues was that most groups did not self-select for bus riders; bus riders typically were a somewhat predictable percentage of the members of any group and that allowed LTD to set low prices because a fairly large percentage

of any group would be only occasional riders. He said the problem arose when a group self-selected for being bus riders by recruiting members on the basis of offering discounted passes.

Mr. Kortge said the real problem appeared to be reselling of the group passes by the club in order to generate revenue by the club. He thought that the language would resolve that issue.

Ms. Ban agreed with Mr. Kortge but felt concern that the language could be too restrictive.

In response to a question from Mr. Eyster, Mr. Vobora said that the new policy language would become effective March 15, 2006; however, existing group pass contracts would not be updated until the June 30, 2006, renewal cycle.

**MOTION** Mr. Kortge moved approval of LTD Resolution 2006-011: Resolved, that the LTD Board of Directors hereby revises the LTD Group Pass Policy as described and that these revisions become effective March 15, 2006.

**VOTE** The resolution was approved as follows:  
 AYES: Ban, Davis, Eyster, Gaydos, Kortge (5)  
 NAYS: None  
 ABSENCES: None  
 EXCUSED: Gant

**Fiscal Year 2006-07 Service Proposal** – Service Planning Manager Will Mueller referred to the 2006 Annual Route Review service change summary and pointed out that eliminating summer service and the City View loop on the #76 route had been a primary focus of Board and staff discussions and public testimony. He said the other options for #76, both of which included retaining the summer service, were to make no changes in current service or to retain the three most productive of the four trips. He said those two options did not result in any significant savings.

Ms. Ban commented that testimony had discussed a new housing development in the #76 area and wondered whether that might generate additional riders.

Mr. Kortge remarked that most of the development had been completed and was not located on the City View loop.

Mr. Eyster said that he was persuaded by the need to increase service on the #98 route serving Creswell and Cottage Grove.

Ms. Ban supported increased service on #98 but remarked that most riders were commuting into Eugene/Springfield and jobs and payroll taxes were not being generated in Creswell and Cottage Grove.

Mr. Eyster asked why a 2:30 p.m. trip was added to #98 instead of another morning trip as the mayors of Creswell and Cottage Grove had advocated. Mr. Mueller replied that ridership on the three busiest morning trips ranged from 35 to 57 and the least productive afternoon trip carried 57 and up to 68 riders. He said the afternoon trip addressed the primary overload problem and noted that when articulated buses were running on the route, people were standing only on the

section between Creswell and Lane Community College (LCC). He said another articulated bus would be added to the morning service when it became available.

Ms. Ban asked if the addition of a 6 p.m. trip would address concerns about people being able to leave work and catch the bus to return home. Mr. Mueller said that a wide range of input on when to add an evening trip was received, and 6 p.m. was recommended by the Service Planning and Marketing Committee.

Mr. Gaydos stressed the importance of being able to respond to the needs of large employers who paid a payroll tax and provide service that addressed employees' work schedules.

**MOTION** Ms. Ban moved approval of LTD Resolution No. 2006-010: "It is hereby resolved that the LTD Board of directors approves the FY 2006-07 service recommendations as presented on March 15, 2006, and as shown on the 2006 Annual Route Review Change Summary." Mr. Kortge provided the second.

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

Mr. Pangborn pointed out that while the Board held two public hearings to take testimony on the proposed service changes, it did not discuss what direction it intended to take until action was taken at the March 15 meeting, at which those who testified were not present. He asked if the Board would prefer to make a decision or discuss its intent at the last public hearing on an issue instead of waiting until the next regular Board meeting.

Mr. Gaydos said he liked the concept of holding a discussion at the conclusion of a public hearing and asked that the matter be presented to the Board's Communication and Process Committee for consideration and recommendation.

There was a general discussion of the importance of closing the communications loop by informing those who testified or submitted written comments about the Board's decision.

**Capital Improvements Program (CIP) Approval** – Director of Finance & Information Technology Diane Hellekson explained that the CIP had been changed as a result of recent revisions to the ConnectOregon application. She said the Board had two options with respect to the CIP and the Long-Range Financial Plan. These options were: approval of the plan as submitted to allow staff to incorporate it into the budget, or direction to staff to reconvene the Finance Committee to review the changes and bring both agenda items back for consideration with the corrections made.

In response to comments from Mr. Kortge, Ms. Hellekson agreed that the major changes were purchase of a sixth bus and the potential for moving Pioneer Parkway up one year. She said that the Board could proceed with approval of the CIP and plan with the understanding that elements would change.

**MOTION** Mr. Kortge moved approval of LTD Resolution No. 2006-013: "It is hereby resolved that the revised Capital Improvements Program is approved as presented." Ms. Davis provided the second.

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

**Long-Range Financial Plan (LRFP)** – Ms. Hellekson said that the Franklin Corridor continued to dominate the Long-Range Financial Plan, and the potential for the Pioneer Parkway Corridor was a major factor. She said that at the last Finance Committee meeting, the Committee discussed and approved debt in the second year because of the accelerated bus purchase and moving the Pioneer Parkway forward, since that removed the pressure on reserves for the Operating Fund and Capital Fund and allowed transfers to be eliminated for the next two years.

**MOTION** Ms. Davis moved approval of LTD Resolution No. 2006-014: "It is hereby resolved that the revised Long-Range Financial Plan is approved as presented." Mr. Kortge provided the second.

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

**Medicaid Transportation Brokerage Project** – Accessible Services Program Manager Terry Parker referred to the Board's discussion in September 2005 regarding the possibility of LTD assuming the Medicaid medical transportation brokerage for Lane County. She said the brokerage would be incorporated into services already provided through RideSource. Services would include a call center, dispatch, and scheduling. She said that extensive research by staff had resulted in a request for Board approval to move forward with the project and commence development of a contract with the Oregon's Office of Medical Assistance Program (OMAP).

Mr. Gaydos determined that there was consensus among Board members to direct staff to proceed.

**General Manager Pro Tempore** – Mr. Pangborn explained that it was necessary to identify a general manager pro tempore to provide for a seamless succession. He proposed that Interim Assistant General Manager Linda Lynch be designated.

**MOTION** Mr. Kortge moved approval of LTD Resolution No. 2006-012: "It is hereby resolved that the Interim Assistant General Manager Linda Lynch be designated as the general manager pro tempore for Lane Transit District during the absence or disability of the general manager. Ms. Davis provided the second.

**VOTE** The resolution was approved as follows:  
 AYES: Ban, Davis, Eyster, Gaydos, Kortge (5)  
 NAYS: None



ABSENTIONS: None  
EXCUSED: Gant

**ITEMS FOR INFORMATION AT THIS MEETING (continued)**

**Effect of 2006 Winter Bid Service Changes on System Performance** – Mr. Mueller said that there were a greater number of changes than usual in terms of adjusting late-running buses. He referred to the graphs provided in the agenda packet to illustrate the improvements realized as a result of the winter bid. He said there had been substantial improvements throughout the system.

Ms. Ban commended the improvements and asked if there were national standards associated with late-arrival percentages. Mr. Mueller said districts looked at the issue in different ways and the standard varied widely depending on the system; standards were customized for each system.

Mr. Kortge commented that another measure, in addition to the number of trips, could be the number of riders affected by late arrivals. Mr. Mueller responded that the District tracked many statistics and would attempt to report whatever data the Board wanted.

Mr. Johnson said that the District did consider the impact of late arrivals, but the focus was on the Eugene Station and whether riders were able to make their connections. Mr. Mueller added that if riders were more than four minutes late to the Eugene Station it was not likely they would make their transfers. He said that data on meal breaks was also reviewed and drivers were now getting the full 20-minute meal break at least 80 percent or more of the time on 94 percent of runs, which was a substantial improvement.

Mr. Gaydos asked if the goal was to improve rather than attain a particular standard. Mr. Mueller replied that LTD had a very high rate of compliance given the variability between bids and situations that arose with routes.

Mr. Gaydos asked if drivers felt the improvements were good or if complaints were being received. Mr. Mueller said that customer complaints could be compiled and analyzed for trends, but quantifiable data from drivers was not available. Mr. Johnson added that far fewer concerns were raised by drivers regarding late running buses.

**Monthly Financial Report – February 2006** – Ms. Hellekson reported that February 2006 was another good month, with strong ridership numbers. She said that the cost of fuel was still volatile and while the District was purchasing fuel at the budgeted price, problems could occur if there was a surge in price.

The meeting adjourned at 7:45 p.m.

  
Board Secretary

Q:\Reference\Board Packet\2006\06\Regular Board Meeting\BDMIN 03-15-06.doc