

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, June 21, 2006

Pursuant to notice given to *The Register-Guard* for publication on June 15, 2006, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, June 21, 2006, 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, Treasurer
Mike Eyster
Dean Kortge
Mark Pangborn, General Manager
Jo Sullivan, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: David Gant, Secretary

CALL TO ORDER/ROLL CALL – Mr. Gaydos called the meeting to order and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Gaydos commented that the tour of the first bus rapid transit (BRT) corridor was very impressive. He said there was good news regarding ConnectOregon funding for the Pioneer Parkway corridor. He noted that Mr. Eyster would need to leave the meeting early.

ANNOUNCEMENTS AND ADDITIONS TO AGENDA – There were no announcements or additions to the agenda.

BOARD CALENDARS – Mr. Pangborn highlighted a number of future activities. He said November 9-11, 2006, had been tentatively reserved for the fall strategic planning session and asked which two dates were preferred. There was consensus to schedule the session on Friday evening and Saturday morning, November 10 and 11. He announced that PeaceHealth was offering tours of the River Bend site and Board members should let staff know if they wanted to participate.

EmX Public Relations Representative Sue Viggiano reported on the number of LTD employees and community members who had taken the EmX tour and said that many more tours were scheduled. She said reactions were very positive and the tours were an important marketing and public information tool.

Ms. Ban commented that there were a number of groups from other communities who had expressed an interest in the tour.

WORK SESSION

Debrief June 12 Joint Meeting with Eugene City Council – Mr. Pangborn remarked that the joint meeting had been very positive and the council had enjoyed the tour.

Mr. Kortge observed that the council was very interested in and responsive to the LTD operational information that was presented and it helped to answer many of the councilors' questions.

Mr. Eyster agreed that the operational data was well received and said the comparative data was particularly compelling.

Mr. Pangborn indicated the same approach would be used for the joint meeting with the Springfield City Council on July 10, 2006, although a tour would not be included because of time constraints.

Mr. Gaydos noted that Councilor David Kelly had raised the issue of broadening LTD's revenue base and suggested creation of a work group with representatives from Eugene, Springfield, Lane County, and LTD to explore possibilities.

In response to a comment from Mr. Kortge, Mr. Pangborn said that the incoming councilors, Mike Clark and Alan Zelenka, along with the new Lane County commissioner were being briefed on LTD operations and issues.

Security Denial and Reinstatement Procedure – Mr. Pangborn said that the presentations would address operational issues related to denial of bus ridership and handling of customer input.

Transit Operations Director Mark Johnson said there needed to be a balance between community and District needs in order to serve both in the best way. He said the District's security program managed the denial and reinstatement process. He said the primary goal was safety and security of the system and assurance that riders felt safe and comfortable. He said the District's aim was to work with people with problems, which often involved parole officers, counselors, parents, and mental health care providers in determining if there were special needs that should be accommodated in order for a person to be able to ride the bus. He said despite those efforts there were occasional denials, and those typically related to Ordinance 36 violations such as drugs, vandalism, or drunk and disorderly conduct. He said smoking and loitering were lesser offenses that generally did not involve denial but required enforcement activities.

Mr. Johnson related that ridership was automatically reinstated at the end of a 30-day denial period; an indefinite denial required the person to meet with LTD employees and develop a plan for reinstating riding privileges. He said the bulk of denials were indefinite and the citation that was issued outlined the reinstatement process and consequences of riding the bus before being reinstated; those consequences were being cited for trespassing and arrested. He noted that the courts were impressed with both LTD's reinstatement process and the clarity with which it and the consequences were spelled out to riders. He said comprehensive records of denials were maintained and a majority of denials were reinstated fairly quickly. He said a few individuals were too dangerous ever to be allowed back on the system.

In response to a question from Mr. Pangborn, Mr. Johnson said there were approximately 25 denials per month and 15 reinstatement reviews. He gave a recent example of employees going to extraordinary lengths to assist a person who needed help.

Security and Station Manager Rick Bailor said a 30-day denial was imposed for repeat offenses not related to property or person crimes such as constant loitering. He said the 30-day denial was used following education and written warnings to enforce the message.

Mr. Johnson said there were also permanent denials and daily denials, although those were used infrequently.

Ms. Ban asked if a permanent denial could be appealed if a person's circumstances changed. Mr. Bailor said a person could always request review of a denial but there had been fewer than ten permanent denials and all of them were lifetime criminals and regarded as dangerous.

Mr. Kortge asked if drivers had the ability to eject a passenger from the vehicle. Mr. Johnson said that a driver could ask someone to leave the bus and was then required to call that action in so a supervisor and security officer could respond.

Mr. Gaydos said he had only received two calls regarding denials and felt the system was fair and judicious and worked well.

Ms. Ban agreed that the denial and reinstatement process was absolutely appropriate and having consequences for inappropriate behavior was necessary.

Mr. Eyster left the meeting at 6:10 p.m.

Customer Input Process – Mr. Johnson introduced Transit Services Manager Sue Quick, who was responsible for managing the customer comment process. He referred to a recent newspaper article that was critical of how TriMet handled customer complaints and comments. He said that LTD's system was straightforward and there were standards established for operators related to customer complaints. He said that four complaints in a six-month period or eight complaints in a year or repeats of certain types of complaints would trigger a review of the situation with respect to that operator. He said complaints could be submitted in writing, over the telephone or by e-mail and had to include the complainant's name, address, and telephone number; anonymous complaints were not accepted.

According to Mr. Johnson, employees were notified of routine complaints and offered an opportunity to respond; urgent complaints related to safety concerns or violations of laws were investigated immediately by a supervisor. He said that videos were used to coach operators in some instances. He believed that the customer input process assured the District's accountability. He reviewed the customer input statistics provided in the agenda packet and pointed out that the most complaints were in the non-operator chargeable (NOC) category, which meant a supervisor had determined that the operator could not have done anything about the situation.

Mr. Kortge asked if complaints went into a driver's personnel file and ever resulted in termination. Mr. Johnson said specific complaints did not go into the personnel file but the information was

maintained in a separate database and tracked for a two-year period. He pointed out that the District had changed its hiring approach and the focus was now on good customer relations skills instead of driving skills; driving skills could always be taught. He said while a high level of customer complaints might be a factor in a termination, there were generally other factors as well.

Mr. Pangborn pointed out that the ratio was approximately 10 complaints per 100,000 boardings. Mr. Johnson added that the goal was 8 or fewer complaints per 100,000 boardings.

Ms. Ban remarked that the frequency of complaints also could be affected by employee morale, greater congestion, and other factors. Mr. Johnson agreed that the frequency and type of complaints were indicators that supervisors could use to monitor the system.

EMPLOYEES OF THE MONTH – Mr. Johnson introduced Bus Operator Shannon Alpers, the June 2006 Employee of the Month. He said that Ms. Alpers was hired by LTD in April 2005 and was nominated for Employee of the Month by customers four times in her first year.

Ms. Alpers thanked the Board for her award and recognition.

Mr. Johnson introduced July 2006 Employee of the Month Bus Operator Gary Levy. He said that Mr. Levy had been employed by LTD since 1985 and recently received an award for 20 years of safe driving.

Mr. Levy thanked the Board for his award and commended the District's willingness to invest in its employees, citing employee incentive programs that had helped him make positive changes in his life through smoking cessation and weight loss.

AUDIENCE PARTICIPATION – There was no one wishing to speak.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** – Ms. Ban moved adoption of LTD Board Resolution No. 2006-020: "It is hereby resolved that the Consent Calendar for June 21, 2006, is approved as presented." Ms. Davis provided the second. The Consent Calendar consisted of the minutes of the December 9-10, 2005, strategic planning session, March 13, 2006, special Board meeting; March 15, 2006, regular Board meeting; April 3, 2006, special Board meeting; April 19, 2006, canceled Board meeting; April 26, 2006, special Board meeting; May 10, 2006, special Board meeting; May 17, 2006, canceled Board meeting; and Boundary Resolution.

VOTE The Consent Calendar was approved as follows:
AYES: Ban, Davis, Gaydos, Kortge (4)
NAYS: None
ABSENTIONS: None
EXCUSED: Eyster, Gant (2)

FY 2005-2006 Supplemental Budget – Director of Finance & Information Technology Diane Hellekson stated that the supplemental budget was a housekeeping action taken at the end of

the fiscal year to realign the budget and eliminate budget anomalies. She said there were modest changes, primarily related to filling administrative positions with contractual services, fuel costs, accrual of grant funds, and advance payment of certain grant expenses to allow for reimbursement. She distributed a corrected version of the resolution.

MOTION Ms. Ban moved approval of LTD Board Resolution No. 2006-022, amending the fiscal year 2005-2005 budget as represented in the corrected resolution. Ms. Davis provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Gaydos, Kortge (4)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Eyster, Gant

FY 2006-2007 Budget Adoption – Ms. Hellekson corrected her June 21, 2006, memorandum by deleting the last three sentences in the second paragraph. She stated that the budget as presented in the agenda packet was approved by the Budget Committee and consistent with Board direction and priorities.

Public Hearing on FY 2006-07 Budget – Mr. Gaydos opened the public hearing. He determined there was no one wishing to speak and closed the public hearing on the 2006-2007 budget.

MOTION Mr. Kortge moved approval of LTD Board Resolution No. 2006-023, adopting the LTD fiscal year 2006-2007 budget and appropriating \$79,852,690. Ms. Davis provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Gaydos, Kortge (4)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Eyster, Gant

Monthly Financial Report—May 2006 – Ms. Hellekson remarked that 11 months of the fiscal year had been completed. She said that payroll tax receipts had held up well, ridership increases were still in double digits and there had been a slight softening of fuel prices. She said the books would be closed and the new fiscal year would begin in two weeks.

Grant Applications – Regarding the grant request for 2006 bus discretionary funds, Mr. Pangborn noted that the Board had already approved the purchase of five articulated buses. He said that LTD representatives had traveled to Seattle to evaluate the hybrid-electric propulsion system in use there. He said that Seattle was extremely pleased with hybrid-electric bus performance and, consequently, staff were proposing that the articulated buses be purchased with hybrid-electric drive, which was more expensive. He said that funds were allocated in the capital budget and staff believed that the investment would pay off in the long run.

Grant Administrator Todd Lipkin explained that the increased cost per vehicle was \$200,000 and the majority of that increase was reflected in the 2006 Bus Discretionary Funds grant request for the purchase of one hybrid-electric articulated bus for use on the proposed River Road-Lane Community College PCE (progressive corridor enhancement) corridor. He said the remaining

buses would be purchased with 2006 Urbanized Area Formula Funds and discretionary funds approved by the Board in December 2005. He said the two remaining 2006 grant applications were being developed for Job Access/Reverse Commute and New Freedom funds.

Mr. Lipkin briefly reviewed the grant applications for 2006 Urbanized Area Formula Funds (5307), 2006 Bus Discretionary Funds (5309), and 2006 Alternatives Analysis Funds (5339).

Mr. Kortge commented on problems the District had experienced with other new bus technology. Interim Director of Maintenance Tom Brush replied that this particular hybrid electric technology had been in use for a number of years and was well proven. He said that the EmX vehicles would use the same technology.

Mr. Gaydos opened the public hearing on the grant applications. He determined there was no one wishing to speak and closed the public hearing.

MOTION Ms. Davis moved adoption of LTD Board Resolution No. 2006-024: "It is hereby resolved that the LTD Board of Directors approves the proposed grant applications listed below, which total \$2,883,147 in federal funds, and authorizes the general manager to submit these applications to the Federal Transit Administration for approval: 2006 Urbanized Area Formula Funds (5307) - \$1,824,000; 2006 Bus Discretionary Funds (5309) - \$564,147; 2006 Alternatives Analysis Funds (5339) - \$495,000. Ms. Ban provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Gaydos, Kortge (4)
 NAYS: None
 ABSENTIONS: None
 EXCUSED: Eyster, Gant

Funding Request from Downtown Eugene Incorporated (DEI) – Mr. Gaydos stated that he was on the board of directors of DEI and would recuse himself from the discussion and abstain from voting on the request.

Mr. Johnson stated that the request was for a contribution to fund a mall guide position related to downtown safety. He said the original request was for \$18,000 to fund half of a position. He said LTD was being asked to participate in supporting downtown safety although there was no direct benefit to the District. He said LTD's partnership in downtown was important and noted the District's financial contribution for police officers and donation of space for a police substation in the downtown station. He said that support for the mall guide program was planned for or budgeted and staff recommended providing \$10,000.

Ms. Ban cautioned against characterizing use of District funds for something that did not provide a direct service to LTD. She felt that if the request was approved there should be recognition that improved safety around the downtown station did directly benefit LTD.

Mr. Pangborn agreed that there was a direct service to the District but not on the platform itself.

Mr. Kortge asked how staff had arrived at \$10,000. Mr. Johnson replied that DEI was experiencing financial difficulties and seeking whatever funding sources might be available. The mall guide program was important to downtown but because of building vacancies, contributions

were not enough to keep the program going. He said that DEI had made a one-time funding request of LTD in the hopes that during the next year sufficient revenue would be generated to continue the program.

Ms. Ban said if there was a value to investing public dollars intended for transit in a program that enhanced the safety and security of the station, then LTD should consider ongoing instead of one-time funding. Mr. Pangborn said the request was for one-time funding because the City of Eugene had committed to only one year of funding and if that support was eliminated, LTD's funding was not sufficient to sustain the program.

Ms. Ban argued that if the program was of value to LTD, the reference to "one time" should be stricken from the resolution. Mr. Pangborn agreed and stated that the staff recommendation would be amended to remove the phrase "one time."

Mr. Kortge said he was still unclear about how the \$10,000 amount was determined. Mr. Pangborn said that staff met with DEI Executive Director Russ Brink and discussed the fact that a contribution to DEI had not been budgeted, although there was value to maintaining the program. He said the figure of \$10,000 had been mutually agreed upon as having value to DEI for support of the mall guide program.

MOTION Ms. Ban moved adoption of LTD Board Resolution No. 2006-025: "It is hereby resolved that the LTD Board of Directors approves an allocation of \$10,000 to Downtown Eugene Incorporated for FY 2006-07, to continue the Mall Guide program for one year. Mr. Kortge provided the second.

VOTE The resolution was approved as follows:
 AYES: Ban, Davis, Kortge (3)
 NAYS: None
 ABSENTIONS: Gaydos
 EXCUSED: Eyster, Gant

Election of Board Officers – Assistant General Manager Linda Lynch reported on a Board Communication and Process Committee discussion about Board officers, the merits of rotating officers or retaining the same person as president, and succession of the vice president to the presidency. She said the committee thought that continuity in "LTD's face" was of value to the organization and the recommendation was that it be a matter of practice, although not a formal policy.

Mr. Kortge agreed with the recommendation on succession as a practice when it was appropriate but not a formal policy.

Ms. Lynch said the committee discussed a number of scenarios related to terms and succession and concluded that members joined and left the Board for a variety of reasons; term lengths could not be anticipated and a formal policy would make that assumption. She pointed out that by statute the Board was required to elect officers every two years and those officers were president, vice president, secretary, and treasurer. She noted that David Gant had served as secretary for the past two years and his term on the Board would expire at the end of 2006.

In response to a question from Mr. Kortge, Mr. Gaydos said that he was willing to serve another term as president.

Mr. Gaydos nominated Mr. Kortge as the LTD Board secretary for a two-year term beginning July 1, 2006.

Ms. Ban nominated Ms. Davis as the LTD Board treasurer for a two-year term beginning July 1, 2006.

Ms. Davis nominated Ms. Ban as the LTD Board vice president for a two-year term beginning July 1, 2006.

Ms. Ban nominated Mr. Gaydos as the LTD Board president for a two-year term beginning July 1, 2006.

There being no further nominations, Mr. Gaydos closed the nominations and called for a vote.

VOTE The slate of candidates was elected as follows:

AYES: Ban, Davis, Gaydos, Kortge (4)

NAYS: None

ABSENTIONS: None

EXCUSED: Eyster, Gant

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports

Metropolitan Policy Committee – Mr. Gaydos reported that LTD had taken the position that it would participate in the collaborative process to explore alternatives to the West Eugene Parkway. He said that the Oregon Transportation Commission and Oregon Department of Transportation (ODOT) were both somewhat negative about the collaborative process, preferred to move forward to a record of decision (ROD,) and expressed concern about the lack of time and economic constraints on the process. He indicated that the Federal Highway Administration had proposed an alternate southern route in response to public comments, and Eugene suggested that this route be considered during the collaborative process. He said that Lane County and Springfield had not committed to participating yet and Springfield's position was that it lacked a significant interest in the issue. He said the July meeting would be devoted to a discussion of the collaborative process, but if ODOT was unwilling to participate, the process could not work.

Mr. Kortge commented it did not make sense to study the parkway issue further and he hoped it would go forward to an ROD.

Mr. Gaydos said he would encourage people to collaborate as he hoped to see the parkway built.

Ms. Ban referred to a May 2006 survey by the Ulum Group that indicated that 67 percent of those surveyed supported construction of the parkway.

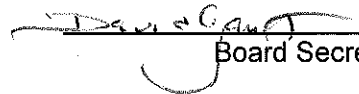
Board Human Resources Committee - Director of Human Resources and Risk Management Mary Neidig noted that preliminary results of the communication audit were presented at the

June 14, 2006, Board HR Committee meeting. She said that the report and recommendations would be finalized and on the agenda for the Board's July 10 work session.

Mr. Gaydos noted the earlier remarks by Employee of the Month Gary Levy and asked about the status of incentive programs. Ms. Neidig said a *Looking to the Future* plan strategy was to organize a District-wide workgroup to examine the big picture of employee recognition, rewards, and incentives.

Mr. Pangborn reviewed a number of coming meetings and events.

ADJOURNMENT: The meeting adjourned at 7:30 p.m.


Board Secretary

Q:\Reference\Board Packet\2006\09\Special Mtg 09-19-06\BDMIN 06-21-061.doc