

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, September 17, 2008

Pursuant to notice given to *The Register-Guard* for publication on September 11, 2008, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a public hearing and regular board meeting on Friday, September 17, 2008, beginning at 5:30 p.m., in the LTD Board Room, 3500 East 17th Avenue, Eugene, Oregon.

Present: Greg Evans, Vice President, presiding
Debbie Davis
Ed Necker
Michael Dubick
Gerry Gaydos
Dean Kortge
Mark Pangborn, General Manager
Jeanne Schapper, Clerk of the Board
Will Mueller, Service Planning Manager
Mary Adams, Director of Human Resources and Risk Management
Zack Fish, Customer Service
Diane Hellekson, Director of Finance and Information Technology
Andy Vobora, Director of Service Planning, Accessibility, and Marketing

Absent: Mike Eyster, President

CALL TO ORDER/ROLL CALL – Mr. Evans called the regular board meeting of the Lane Transit District (LTD) Board of Directors to order and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT – Mr. Eyster was unable to attend the meeting. Mr. Evans had no remarks to share at this time.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA – Mr. Pangborn stated that the LTD Board needed to appoint a representative for the Metropolitan Policy Committee (MPC). He suggested including this in the action items. He also noted that he would include a Memorandum of Understanding (MOU) on diversity in the information items.

BOARD CALENDARS – Mr. Pangborn directed Board members to look at the calendar included in their packets. He then asked for Board feedback on the new Board Room seating arrangement. He pointed out the new Liquid Crystal Display (LCD) screen for presentations, which had been placed centrally on the east wall to optimize visibility.

Mr. Pangborn reported that LTD continued to hold public outreach meetings regarding the service redesign. He stated that two people had attended the meeting in Creswell, four had

attended the meeting held the previous evening, and approximately 20 people attended the meeting in Springfield.

Mr. Pangborn announced that LTD would be hosting the First Friday for Communities of Color on October 3. He also noted that the American Public Transportation Association (APTA) conference was scheduled for October 10. Mr. Pangborn would be attending, along with Mr. Dubick, Mr. Evans, and Mr. Eyster.

In response to a request from Mr. Pangborn, Mr. Kortge agreed to attend the MPC meeting scheduled for October 9.

Mr. Pangborn related that the chief executive officers of all of the public agencies would sign the Diversity and Human Rights Consortium (DHRC) Memorandum of Understanding (MOU) on diversity at 8:30 a.m. on October 14 at the new Justice Center in Springfield. He noted that the MOU had been signed before and this event was a resigning or rededication to diversity and human rights.

Continuing, Mr. Pangborn stated that LTD would hold an open house on the West Eugene EmX Extension (WEEE) at the Eugene Faith Center on October 20. He also noted that another public input opportunity on the service redesign was scheduled for October 13 in the Eugene Library. He stated that LTD would also be making a presentation to the Eugene City Council on that day. He added that the November 10 public hearing coincided with an LTD presentation on the service redesign proposal that is scheduled to be made before the Springfield City Council.

Mr. Pangborn informed the Board that its strategic planning session was planned for December 5 at the PacificSource building on International Way in Springfield.

WORK SESSION –

A. LTD Rewards and Recognition Program

Ms. Adams provided an overview of the new LTD Rewards and Recognition Program. She said this program was derived from the Looking to the Future Plan. She relayed that there had been several outcomes, the largest of which was the training and development program that now was in place. She said another significant piece in the plan was the work being done on health and safety through the Health For Life Committee. She stated that the rewards program had come from the goal to recognize and reinforce exceptional performance.

Mr. Fish reviewed the program through a PowerPoint presentation. He stated that staff had made the nominating process accessible to both employees and customers so that it was a simple procedure to nominate someone.

In response to a question from Mr. Kortge, Mr. Fish said feedback had been positive thus far.

Mr. Dubick remarked that it seemed user-friendly. He complimented staff on a job well done.

B. 2009 Service Reduction Analysis

Mr. Vobora provided an update on the process. He called the proposal a work in progress and stated that staff continue to review the pros and cons of the current design. He felt there were still options to consider that could enable staff to arrive at the budget goal of a 15 percent reduction in operations. He relayed that staff had talked with the Service Advisory Committee, which included bus operators and Operations staff, in order to bring them into the process and gain their perspectives. He stated that staff also were working with the Lane Council of Governments (LCOG) to look at the Title 6 issues to evaluate the low-income and minority census blocks to determine whether any issues would arise from service changes.

Mr. Vobora observed that customer feedback had been sparse. He had been impressed by how understanding people seemed to be, though they did advocate for their own needs. He stated that LTD had done much to publicize the changes. He noted that 40,000 mailings were sent to residences and business included within all of the areas in which route deletions and changes had been proposed. He said other efforts to disseminate the information included posters on the bus, articles in the onboard newsletter, signs at the downtown stations, and letters to the elected officials and all of the Title 6 organizations and social service agencies. He felt that *The Register-Guard* had done a good job of informing the public. He said that radio stations had been picking up the press releases and that LTD had bought ads that listed the meetings as well. There were booths at both the recent Fiesta Latina and the Eugene Celebration with information for the public.

Mr. Vobora stated that staff were trying to understand why more people were not providing input. He said they planned to buy some radio advertising that would run during the first two weeks of October, prior to the public hearing.

Mr. Kortge agreed that people had been receptive to the problems that LTD was trying to address. He thought the Celebration and Fiesta had been great opportunities to get information out.

Mr. Dubick said the couple of people who came to the public input session held in Creswell had determined that there would still be routes that would work for them.

Mr. Evans agreed that the people who came to the input sessions were understanding of the situation. He said that they had their own suggestions and needs, but in the "grand scheme of things" he thought people would be amenable to the changes. He suggested that LTD find a way for people to engage through the Website—perhaps through a message board. He thought it possible to gain more input through e-mails. Mr. Vobora noted that a lot of comments were received via e-mail, though the LTD Website did not provide a message board.

Mr. Vobora stated that he had provided the Board with the packet of information that had been provided to the Service Advisory Committee. He reviewed some of the route changes. He noted that a neighborhood loop had been added in the Terry Street area that was thought to potentially serve more residents there. He said there were two major corridor routes in the South Eugene sector. He stated that the South Willamette area route actually went through the Amazon Station and down Hilyard Street to the University of Oregon, passing South Eugene High School. He said this would be lost under the current proposal. He said that staff were considering allowing

the 73 and the 25 to remain in order to maintain the connection at Amazon Station, but this would cost 2 percent more. He thought there could be some options regarding the frequency of those routes.

Continuing, Mr. Vobora reviewed the proposed changes to the Springfield sector. He said the 18 route was formally a loop route, becoming the 19 route, and now this would be two separate line routes and service to 'Q' Street would be eliminated. He noted that page six of the Board packet indicated the projected lost ridership due to the changes. He stated that there were also some route timing issues between the two routes, which would have to be approved by the City of Springfield. He thought the route changes would be controversial. He indicated that if it was not possible for the route to be made in an hour (requiring LTD to move to expanded routing), it could cost as much as \$120,000 per year to add another bus.

Mr. Vobora brought up the timing issue, noting that staff had been promoting September 2009 as the implementation date. He said there were a few routes that could be cut in February. The advantage to this would be that some savings would be realized sooner.

In response to a question from Mr. Necker, Mr. Mueller clarified that the stand-alone routes were the only routes that could potentially be eliminated in February.

Mr. Evans asked if there was push back regarding the 3X route from the University students and employees. Mr. Vobora replied that there was an alternate service available to them. He pointed out that people who took the 3X could take the 51 instead and transfer to the EmX.

Mr. Gaydos felt the percentage gain made it worthwhile to discontinue those routes. Mr. Kortge concurred.

Mr. Dubick asked how this would affect the bid process. Mr. Vobora replied that it would be folded into the winter bid. Mr. Dubick asked if there would be staffing reductions at that point. Mr. Vobora responded that LTD was already down six operators.

Mr. Necker asked if any operators would have to be terminated in the fall. Mr. Vobora said the proposal being considered would eliminate 27 operator positions, or a net of 21. He thought that LTD would be able to handle all of the layoffs through attrition, including pending retirements.

Mr. Vobora stated that staff and the Leadership Council were trying to decide whether 15 percent would be a sufficient reduction. Mr. Pangborn added that the problem with the situation was that both revenues and expenses were moving targets. He said they decided to adopt the current assumptions--though it may be that the assumption for fuel could be lowered.

Ms. Hellekson stated that the worst case scenario projected fuel costs at \$5 per gallon, but LTD had paid \$2.92 per gallon on the previous day.

Mr. Pangborn acknowledged that costs fluctuated greatly but he assured the Board that the 15 percent cut was necessary. He said the possible need to make more cuts would be addressed as more information came to be known. He stated that one issue that would have to be addressed was the reduction in reserves; LTD needs a plan to build them back up. He felt planning staff had done a magnificent job of rethinking service and getting the message out to the public. Without the reserves, staff would not have been able to do such a good job.

Mr. Pangborn discussed the August performance report, noting that weekday ridership was up 16 percent and that mobility-assisted riders were up 10.4 percent. He also noted that as the economy worsened, LTD payroll collections would likely decline. He said that currently payroll taxes were down 2 percent, without including the Hynix closure.

Mr. Vobora added that other services would be affected. He cited as an example that dispatching 50 buses for services for the home football games might need to be modified.

Mr. Kortge expressed appreciation for the level of complication the situation presented. He asked what would happen if LTD needed to trim another 5 percent. Mr. Vobora responded that a Tier II cut scenario was included in the Board packet. He said they could look at reducing the coverage or frequency more, but this was not a comfortable position. He relayed that he had spoken on the telephone with a woman earlier in the day who had waited for a bus on Main Street at 10 a.m. and had been passed by two buses because they were too full. He did not feel very comfortable in making more cuts, but thought it was a possibility. He thought they might review span and days of the week next.

Mr. Mueller underscored the importance of maintaining frequency, especially during peak hours. He said if ridership kept increasing, the current services had elements that could be in jeopardy.

Mr. Vobora predicted that scheduling delays would increase as buses had to make more stops to pick up people, but the planning staff was adding running time to routes to accommodate larger customer loads.

Mr. Evans remarked that there was hope through the energy bill before Congress, as it included some fuel money for surface transportation. He said House Speaker Pelosi had predicted the bill would be "dead on arrival." He stated that nothing would happen until after the election.

SPECIAL DESSERT IN HONOR OF DEBBIE DAVIS – Mr. Evans spoke glowingly of Ms. Davis's service on the Board and presented her with gifts from the Board and staff. Mr. Gaydos expressed appreciation for having a strong representative from Springfield on the Board.

Ms. Davis commended the staff of LTD for their integrity and hard work. She was pleased with the Governor's appointee, Doris Towery, who would be replacing her.

Mr. Evans introduced Doris Towery, the new representative from Springfield. Ms. Towery thanked Mr. Evans and the Board, stating that she looked forward to working with them.

The meeting temporarily adjourned to enjoy cake in Ms. Davis's honor.

EMPLOYEES OF THE MONTHS – SEPTEMBER AND OCTOBER 2008

Director of Maintenance George Trauger introduced Perry Crawford as the September Employee of the Month. He said Mr. Crawford was well-known for his integrity, honesty, and a good work ethic. He also said that Mr. Crawford set a good example for the rest of the department. He stated that one of the reasons Mr. Crawford was being honored as an Employee of the Month

was that the department had started a Maintenance Instructor Program and Mr. Crawford was part of the Joint Maintenance Committee and had helped to get the program started.

Mr. Crawford thanked everyone and applauded the teamwork of his department.

Mr. Vobora introduced Service Planning Manager Will Mueller who was the October Employee of the Month. He stated that Mr. Mueller had begun his career at LTD as a bus operator and now, some years later, worked in Planning. He commended Mr. Mueller for his teamwork, noting that he had also coached the LTD softball team. He said Mr. Mueller brought passion to his work and cared very much for the people LTD served.

Mr. Mueller expressed appreciation for the family atmosphere at LTD. He commended the present and past LTD Boards for its work, calling it an exemplary group. He said that the Board is a great example of voluntary stewardship of a public agency.

AUDIENCE PARTICIPATION

Cynthia Kokus, 2465 Jefferson Street, Eugene, said she had been riding the bus "forever" as she had grown up in New York City. She now rode the bus because of her convictions and not because of necessity and was devoted to public transit. She related that as an elder she wished to frame the reasons for public transit: human need was first and foremost, and this included populations such as low-income people, young people, the elderly, and people with special needs. She stated that there were also environmental concerns to consider, and it was important to emphasize that transit use had a positive impact on traffic congestion and air quality.

Ms. Kokus stated that public transit was subsidized by federal, state, and local dollars. She thought the public was ill-informed and unable to lobby for their considerations. She attributed part of this to a lack of information. She stressed the importance of gaining the public's advocacy, but she observed that people were hostile and questioning the need for the EmX and terminals. She related that her hairdresser was angry about the employer tax. She also thought people were unable to get to LTD meetings because of the location of the LTD site. She stressed that when people heard that ridership was up but services were being cut it did not make sense to them. She thought people would not be difficult if they just understood what was going on and would contact their local representatives and lobby on behalf of LTD.

Mr. Evans pointed out that LTD was trying to do just that with the outreach meetings being held regarding the proposed service cuts. He stated that meetings were scheduled for the following night at South Eugene High School and Willamette High School.

Josef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, observed that there had been an increase in ridership due to the EmX. He mentioned that the next EmX line would be completed in 2010. He asked if LTD was expecting another increase in ridership with the new line and asked how this would coordinate with the current service cuts. He encouraged LTD to communicate the answer to the public.

Mr. Evans clarified that ridership was up due to several factors in addition to EmX. He attributed the majority of the increase to the sporadic increases in fuel prices. He felt that the EmX was one of the linchpins of LTD's ability to extend its capacity for more service.

ITEMS FOR ACTION**A. Consent Calendar –**

1. Minutes of the May 21, 2008, Regular Board Meeting
2. Minutes of the June 18, 2008, Regular Board Meeting/Public Hearing on Fares
3. Minutes of the July 16, 2008, Regular Board Meeting/Public Hearing on Fares

Mr. Gaydos clarified that though he had not attended the May meeting he had been recorded as having voted, and asked that the minutes be amended to reflect this correction.

MOTION Mr. Gaydos moved adoption of LTD Resolution 2008-032: It is hereby resolved that the Consent Calendar for September 17, 2008, is approved as amended. Mr. Kortge provided the second.

VOTE The Consent Calendar was approved as follows:
 AYES: Davis, Dubick, Kortge, Evans, Gaydos, Necker (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Eyster

B. First Reading – LTD Ordinance No. 40, An Ordinance Regarding the Excise Tax on Employers and Self-Employed Persons; Amending Ordinance 39, Sections 2 and 3

MOTION Mr. Gaydos, seconded by Mr. Kortge, moved that Ordinance Number 40 be read by title only.

VOTE The motion was approved as follows:
 AYES: Davis, Dubick, Evans, Kortge, Gaydos, Necker (6)
 NAYS: None
 ABSTENTIONS: None
 EXCUSED: Eyster

Mr. Pangborn read Ordinance No. 40 by title only.

ITEMS FOR INFORMATION AT THIS MEETING**A. BOARD MEMBER COMMITTEE REPORTS –**

APTA Authorization Committee – Mr. Evans stated that he had attended the legislative meeting in Washington, D.C. the previous week. He reported that the committee addressed several things in regard to wrapping up the authorization package for presentation in San Diego with the intention of moving the package forward in Congress for the 2009 session. He said that they had addressed section 5309 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) and decided to split it in half. He explained that 50 percent would be discretionary and 50 percent would be formula funding, with the formula funding split in half so that the issue of bus replacement could be addressed. He stated that they had removed the piece that directed replacement at 150 percent of the lifetime of the coach and changed it to direct that replacement should start at the buses' 12-year limit. He said that the language referred to the useful life of the bus. He relayed that they also addressed an issue regarding training and development and had discussed forwarding a proposal within the authorization to

fund training centers around the country specifically dedicated to transit for operators, maintenance people, administration, and professional development personnel.

Regarding para-transit, Mr. Evans reported that there were some issues that no one would address. He explained that some of LTD's fellow transit properties in the east did not have the same kind of relationships with paratransit and accessible and disabled communities. He said they did not want APTA to go after funding for paratransit because they were afraid that transit districts would misuse the money or, if the money went away, they would not live up to commitments made to service for paratransit. He underscored that LTD was "way ahead of the curve" with paratransit and had done a lot in partnership with the paratransit community. He relayed that he had talked with Eugene City Manager Jon Ruiz the previous day about the possibility of a United Front lobbying trip request for LTD funding for paratransit.

In response to a question from Mr. Kortge, Mr. Evans clarified that LTD was unique in how it provided paratransit services. He explained that a lot of the big systems still did not have fully accessible transit. He stated that LTD was fully accessible in 1985 on its fixed-route service. He said the disability communities in the cities that still were not accessible did not trust their transit districts to take money that could be used in other areas and use it for paratransit.

Mr. Pangborn said that LTD took a different approach to serving the community. He stated that LTD was working with the disabled community toward approaching the State Legislature for more money for transit. He explained that places like Philadelphia were under a court order to do a better job of making transit accessible. He said the disabled community suspected that the city would do a "bait and switch" if it received extra money and would just spend it on trains to the suburbs or something. He noted that half of all of the transit riders in the United States resided in the New York City area.

Mr. Evans commented that when he was in Austin, Texas for a bus and paratransit conference, there had been a protest from the paratransit community because the services to the disabled community were inadequate.

West Eugene EmX Extension Corridor Committee – Mr. Gaydos had no further information to report.

EmX Steering Committee – Mr. Gaydos had nothing to report.

Metropolitan Policy Committee – Mr. Evans said that the MPC September meeting had been cancelled. He said Mr. Vobora had made a presentation at the August meeting about the service cuts. He stated that there had been a fierce discussion regarding the proposed expansion of Delta Sand and Gravel.

Board HR Committee – Mr. Gaydos reminded the Board that September 22 would be the last date to turn in their reviews of the General Manager's annual performance.

Board Service Committee – Mr. Necker reported that the committee had discussed the system redesign and what would be acceptable and what would be unacceptable. He noted that the things the committee had discussed were included in the Board packet.

B. BOARD COMMITTEE ASSIGNMENTS – Mr. Pangborn stated that Mr. Eyster had made some appointments: departing Board member Debbie Davis would be replaced on the Finance Committee with Mr. Necker, and new Board member Doris Towery would be replacing Ms. Davis on the EmX Steering Committee and the Pioneer Parkway EmX Corridor Committee. Mr. Pangborn pointed out that in January the Board would have an opportunity to review, and if desired, change current committee assignments.

C. FY 2007-08 ANNUAL PERFORMANCE REPORT – Mr. Pangborn provided a brief overview of the *FY 2007-08 Annual Performance Report*. He attributed the decrease in RideSource productivity to the greater distances driven by service providers. This was because the available land for assisted living centers was located on the periphery of the community. He noted that the results from the independent audit would be available in November.

Regarding *Negative Employee Turnover*, Mr. Kortge asked if this only referred to people who were dismissed. Ms. Adams replied that it included anyone who left for any reason other than retirement. Mr. Kortge remarked that it was an awkward measurement. Ms. Adams pointed out that LTD's turnover rate of 2.6 percent was enviable for most businesses.

Mr. Gaydos was impressed by the reduction in the number of workplace accidents and time lost. Ms. Adams responded that LTD had experienced a somewhat high rate for a while, but now had a significantly reduced number of injuries and had been successful in getting people back to work soon after their accidents.

Mr. Pangborn added one item of New Business: the final design for the Pioneer Parkway Gateway EmX Extension was almost completed and there had been testing for the placement of a bus shelter or bus stop.

D. MONTHLY FINANCIAL REPORT – JULY AND AUGUST, 2008 – Ms. Hellekson highlighted the July and August Financial Statements. She stated that ridership continued to be good. She reported that the major concern was that payroll tax receipts were down.

Mr. Necker asked how the Hynix closure would affect revenue. Ms. Hellekson replied that LTD would not see the effects until the February distributions.

Mr. Evans related that he had discussed fuel prices with the general manager of the Wenatchee, Washington transit district and Wenatchee was getting a good price. Mr. Trauger responded that LTD was going out to bid on fuel and lubricants. He said that LTD invited its other partners and was looking at demand pooling. However, locking into these types of fuel contracts while prices were high was like buying into the futures market; it is a guess as to which way the market will fall. He felt LTD was doing as well or better in costs of those resources. He cautioned the Board and staff from considering buying on outside contracts as it was important to keep the revenue in the community, and it was also uncertain as to who would be hired to deliver the product.

Mr. Kortge commented that LTD was conducting this business in the right way.

Mr. Pangborn stressed that LTD collected local tax dollars and sought to circulate the money back into the community.

ADJOURNMENT – The meeting adjourned at 7:28 p.m.



Board Secretary

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