

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, February 18, 2009

Pursuant to notice given to *The Register-Guard* for publication on February 12, 2009, 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, February 18, 2009, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Present: Mike Eyster, President  
Michael Dubick  
Greg Evans  
Gerry Gaydos  
Dean Kortge  
Ed Necker  
Doris Towery  
Mark Pangborn, General Manager  
Jeanne Schapper, Clerk of the Board  
Kim Young, Minutes Recorder

**CALL TO ORDER/ROLL CALL** – Mr. Eyster convened the meeting of the Lane Transit District (LTD) Board of Directors and called the roll.

**PRELIMINARY REMARKS BY BOARD PRESIDENT** – Mr. Eyster spoke of the cultural competency training provided to Board members. He commended the trainers, staff, and the Diversity Council for making the training possible.

**BOARD CALENDARS** – Mr. Pangborn noted the special Board meeting scheduled for March 2. He announced that citizen members of the Budget Committee had been invited to the meeting. He stated that the purpose of the meeting was to provide direction to staff on budget development.

Mr. Pangborn reminded the Board that the March meeting would be one week later than the usual scheduled date because two Board members would be on the United Front trip in Washington, D.C.

Mr. Pangborn called the Board's attention to the upcoming Legislative Forum. Local Legislators will discuss transportation for seniors and disabled persons on Saturday, March 7. The Legislative Forum Day for Transit is planned for April 21. Mr. Necker added that there would also be a town hall meeting of legislators at Willamalane Park and Recreation District on March 21.

**ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA** – There were none.

**WORK SESSION**

**West Eugene EmX Extension**—Transit Development Planner Mary Archer provided an update to Board members. She reported on Director of Planning and Development Tom Schwetz's recent visit to Washington, D.C. to discuss the West Eugene EmX Extension project with the Federal Transit Administration (FTA). She said that the FTA was very supportive of the project and offered the agency's assistance in a variety of areas.

Ms. Archer distributed copies of a document titled *Draft Environmental Impact Statement (DEIS) Range of Alternative Draft Design* options. She reported on the recent public open house, saying that it was well attended and that there were many questions and comments received. There were more positive comments than were heard in past workshops. Ms. Archer reported that LTD was negotiating with the Church of the Nazarene on Ed Cone Road for a Park & Ride facility and that those plans were included in one of the draft options. The information would be shared with stakeholders via newsletter.

Ms. Archer reported on LTD's meeting with staff of the U.S. Army Corps of Engineers (USACE), one of the agencies that are required to sign the final EIS. LTD was negotiating with both the USACE and the FTA concerning the wording to broaden the range of alternatives in the Purpose and Need Statement.

Ms. Archer added that Mr. Schwetz provided an update on the project to the Metropolitan Policy Committee (MPC) at its last meeting.

Ms. Archer said that LTD was also working with the Oregon Department of Transportation (ODOT) and freight providers regarding the route design on West 6<sup>th</sup> and 7<sup>th</sup> Avenues to ensure that the final design would minimize the impact of freight movement. Responding to a question from Mr. Kortge, Ms. Archer clarified that LTD would have to receive an exemption from ODOT to be able to implement any route design that affected freight capacity. She thought that there were compromises that could be reached to satisfy all parties.

Ms. Archer also mentioned LTD's involvement in meetings of the West Eugene Collaborative.

Ms. Archer reported that LTD is also working with the City of Eugene's Parks and Open Space Division on the complications concerning the Amazon route and the potential need for property acquisition.

Ms. Archer anticipated that the draft EIS would be available in Fall 2009.

In response to a question from Greg Evans, Ms. Archer said that if LTD selected the Amazon route, those enhancements would be done collaboratively with the City of Eugene and private entities. She did not believe that the community would select the alignment if the benefits did not outweigh the disadvantages. The City of Eugene's Parks and Open Space Division's main objective is habitat restoration.

Mr. Evans asked if LTD would replicate light rail to enhance the overall ecological viability of the resource. Mr. Pangborn indicated that he intended to visit other jurisdictions to see what worked, what would be most effective in Eugene, and also what would be welcomed by the City.

**LTD Proposal to Use Surface Transportation Urban (STP-U) Funds** – Assistant General Manager Stefano Viggiano called attention to the funding proposal to allocate \$1 million in STP-U funds to transit over the next two fiscal years, noting that the proposal was developed in consult with the agency's metropolitan government partners. He indicated that Springfield, Eugene, and Lane County would consider the proposal to make transit a funding priority at upcoming meetings. The MPC was scheduled to take action on March 12. He emphasized the strong competition for the funds in question and acknowledged that Springfield had expressed some concern about the proposal. He said that the proposal represented about two-thirds of the money anticipated to be received in that time, and the expectation was that LTD would not apply for STP-U funds for some time after that.

Mr. Necker asked about past allocations to LTD. Mr. Viggiano related that LTD had received \$2 million in STP-U funds during the last seven years to spend on a variety of projects.

Mr. Eyster asked if there was a typical allocation amount. Mr. Viggiano said that the money could not be allocated geographically, and that its distribution must be based on an analysis of local priority needs. He was unsure of the exact amount each jurisdiction received in past years, but believed it was close to a 40/20/20/20 split between Eugene, Springfield, Lane County, and LTD, with Eugene getting the largest share due to its population. He added that historically, LTD's allocation was about 15 percent of the funding. Mr. Pangborn said that the allocation of funds through the MPC, and its voting structure, helped ensure that all of the agencies worked cooperatively and that the allocation was balanced.

Noting that LTD was still unsure of its shortfall, Mr. Dubick thought that LTD's partners should know that, even with the STP-U funding, the District may not be able to add back all of the things on the list of possible service reductions/impacts. Mr. Viggiano agreed. He said that the list was not part of the original proposal. LTD could say it would maintain a higher service level if it received the money. He added that Springfield had requested the list.

Responding to a request for clarification from Mr. Necker, Mr. Viggiano replied that the money would plug some of the budget gaps in the next two years; however, another funding source would have to be found for the out years.

Mr. Evans called for a broad community conversation about how transit was funded.

**Update on American Recovery and Reinvestment Act** – Mr. Viggiano noted that the stimulus act had been signed into law. He anticipated further discussion of the funds at the Board meeting on March 2 but said that LTD was being pressured to declare its intentions regarding the funding prior to that date. He referred the Board to the summary of the tentative recommendations being worked on by staff included in the meeting packet, and asked for confirmation that staff was on the right track.

Responding to a question from Mr. Necker, Mr. Viggiano confirmed that the stimulus package contained money for transit. Part of the stimulus funding was being distributed through the urban formula that is used by the federal government to distribute transit funds annually. He believed that LTD would receive about \$6 million as part of the urban formula, and it would come directly from the federal government.

Responding to a question from Mr. Kortge, Mr. Viggiano indicated that the money is governed by the same rules as 5307 funds in that it could be used for capital and fleet maintenance. Half of the funds must be obligated within 180 days and all of the funds must be spent within one year. There is no match requirement. He added that the FTA might have other criteria as the intent of the funding is to create jobs.

Mr. Kortge asked if staff had other ideas about how to spend the money. Mr. Viggiano said that staff discussed buying buses, but the time line was longer than one year and, in addition, the expenditure would not create local jobs, which was the intent of the stimulus package.

Responding to a question from Mr. Gaydos about the potential of spending the money on fare machines, Mr. Viggiano replied that he anticipated that a Small Starts grant would pay for the machines for the Gateway EmX corridor. He said that it was possible to use the money for fare machines that serve the Franklin corridor.

Mr. Viggiano reviewed the proposed projects listed in the meeting packet and answered Board questions clarifying these projects and timelines.

Mr. Gaydos said that he would like to see funding for something that would be visible to the public. He suggested that staff focus on the fare boxes or the real-time passenger information system. Mr. Viggiano said that the District pulled the real-time passenger information system from the Capital Improvement Program (CIP) because it was considered desirable but not essential. He stated that staff would research the option and present the information to the Board on March 2.

Mr. Evans asked that staff quantify the expenditures funded by stimulus dollars in terms of local jobs. Mr. Viggiano said that it could be done. He pointed out that for implementation of a real-time passenger information system, the major expenditure was equipment.

Responding to a question from Mr. Kortge concerning improvements to the administrative building, Mr. Viggiano said that staff considered that to be a lower priority than the maintenance building.

Mr. Kortge agreed that it was important to demonstrate job creation. He suggested that the argument could be made that funding LTD operations merely represented a budget shift and kept people at work. Ms. Towery concurred.

Mr. Dubick supported the staff proposal. He remarked that LTD should publicize the job creation provided by new construction projects. Board members briefly discussed how many jobs might potentially be created, and Mr. Viggiano said that he would attempt to come up with a number.

Mr. Viggiano noted that Senator Ron Wyden would be in Eugene on Thursday, February 19 to discuss the stimulus package with local agencies, and that Mr. Eyster would share the proposed projects with Senator Wyden.

Mr. Evans encouraged staff to share the proposal with the transit union as well. Staff indicated that had already been done.

Mr. Pangborn said that it was anticipated that money would come through other avenues, including those related to energy efficiency, and LTD would try to compete for those sources as well. Mr. Viggiano indicated that there was also some discretionary transit money that would be available.

Mr. Evans encouraged staff to look at funding possibilities for work force development. Mr. Kortge noted that LTD's pension plan was underfunded, and he wanted to be mindful of the agency's other budgetary constraints. He pointed out that LTD could create 52 jobs and still have a budget problem with the pension plans. He did not want to solve the pension plan problem using recovery money. Mr. Viggiano concurred that any solution needed to be part of a more comprehensive, long-term plan.

#### **EMPLOYEE OF THE MONTH**

The Board recognized Bus Operator Richard Tinkey as the March 2009 Employee of the Month. Director of Transit Operations Mark Johnson expressed appreciation for Mr. Tinkey's high-quality and consistent work. Mr. Eyster presented Mr. Tinkey with a letter of appreciation, a pin, a certificate of recognition, and a check. Mr. Tinkey thanked the Board for the recognition and said he was very proud to receive the award.

#### **AUDIENCE PARTICIPATION**

**John Williamson**, Springfield, asked LTD to train bus drivers to pick up and drop people off closer to the curb. He spoke highly of one driver who provided a smooth ride, stopped at appropriate places, stopped for pedestrians, and lowered the bus stairs to allow riders to disembark. He then spoke of a recent experience on Route #12 where a large gap between the door and the curb had negatively affected a passenger in a wheelchair.

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

**MOTION Consent Calendar** – Mr. Gaydos moved adoption of LTD Resolution 2009-005: It is hereby resolved that the Consent Calendar for February 18, 2009, is approved as presented. Mr. Kortge provided the second. The Consent Calendar consisted of the minutes of the October 15, 2008, Regular Board Meeting; November 10, 2008, Special Board Meeting; and the November 19, 2008, Regular Board Meeting.

VOTE The Consent Calendar was approved as follows:  
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None

**Approval, Public Hearing, and Authorization for Public Transit Discretionary Grant 2009-20011** – Accessible Services Manager Terry Parker introduced L. M. Reese, chair of the Grant Review Committee. Ms. Parker referred the Board to the list of projects to be funded through the State Discretionary Grant Program and reviewed the Committee's recommendations.

Mr. Eyster opened the public hearing. There being no requests to speak, Mr. Eyster closed the public hearing.

Mr. Kortge commended Ms. Parker for the presentation she had made to LTD's Finance Committee at its last meeting.

MOTION Mr. Kortge moved adoption of LTD Resolution 2009-006: It is hereby resolved that the LTD Board of Directors approves the LTD Public Transit Discretionary Consolidated Grant Application for the Fiscal Year 2009 through Fiscal Year 2011 and authorizes the General Manager to submit applications to the Oregon Department of Transportation Public Transit Division. Mr. Dubick provided the second.

VOTE Resolution 2009-006 was approved as follows:  
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None

Mr. Dubick suggested that the Board should be prepared at a future meeting to discuss when abstentions from votes were in order.

**Call to Order as LTD Contract Review Board** – Mr. Eyster called the Board to order as the LTD Contract Review Board.

**1. Construction Management/General Contractor Process – Fleet Maintenance Building Expansion/Remodel**

Purchasing Manager Jeanette Bailor reviewed the action requested of the Board, which was to approve the use of a competitive request for proposals process for a construction manager/general contractor for the fleet maintenance building expansion/remodel project.

Responding to a question from Mr. Eyster as to whether there was a Disadvantaged Business Enterprise (DBE) specification, Ms. Bailor said that there was a race-neutral goal, which was set at zero due to the community's demographics. Staff were working with the

contractor for the Gateway EmX project on a plan to identify the contracts that could be contracted out to DBEs and small businesses. A pre-bid conference was included.

Mr. Dubick asked how the District could ensure that the jobs created from the construction project remained local. Ms. Bailor said that the federal government regulations stipulated against the practice. However, the District usually received local bids, and in the last process, all 15 bids were from Oregon firms.

Mr. Eyster opened the public hearing. There being no requests to speak, he closed the public hearing.

Mr. Evans asked if it would be appropriate for the Board to adopt a resolution affirming its commitment to contracting with local firms and spending LTD's dollars locally. Mr. Pangborn suggested that a discussion with the contractor would set the stage for an approach that was within the constraints of the law. He did not recall that LTD had ever used a general contractor not from the local area.

**MOTION** Mr. Dubick moved adoption of LTD Resolution 2009-007: It is hereby resolved that the LTD Board of Directors, acting as the LTD Contract Board, approves the use of a competitive request for proposals process for a construction manager/general contractor that was for the Fleet Maintenance Building Expansion/Remodel project. We further move to delegate authority to the General Manager to sign a contract with the selected construction manager/general contractor after the selection process has been concluded. Mr. Evans provided the second.

**VOTE** Resolution 2009-007 was approved as follows:  
 AYES: Dubick, Eyster, Evans, Gaydos, Kortge, Necker, Towery (7)  
 NAYS: None  
 ABSTENTIONS: None  
 EXCUSED: None

Mr. Eyster adjourned the meeting of the LTD Contract Review Board and reconvened the LTD Board of Directors regular meeting.

**Contested Case Procedure** – Director of Transit Operations Mark Johnson introduced the topic, stating that Board action would codify the contested case hearing process. He reviewed the steps in the process.

Responding to a question from Mr. Eyster, Mr. Johnson estimated that LTD received 60 administrative reviews and two appeals each year.

Mr. Dubick complimented the contested case hearing process that was outlined in the Board materials.

Mr. Gaydos referred to Section I(2), which stated that a telephone hearing was possible, while Section I(5)(a) and II(5)(a) seemed to suggest an individual had to appear in person. He thought Section I(5)(a) should acknowledge the potential of a telephone hearing. Mr. Gaydos observed that the issue of an individual's representation was a "facts of law" issue.

The policy referred to a parent or legal guardian, and he suggested that those unable to represent themselves would have to apply for a legal guardian, which was an expensive process and would cause an undue hardship to the individual. He suggested that the text was more restrictive than necessary and staff might want to modify it. Mr. Pangborn suggested that the text be changed to read "a representative designated by the person, or similar wording."

Mr. Johnson indicated that staff would revise the text and bring it back to the Board at its next regular meeting.

Responding to a question from Mr. Evans, Mr. Johnson confirmed that the document had been reviewed by an attorney to evaluate its compliance in terms of existing civil rights legislation.

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

**Board Member Reports** – Mr. Eyster reviewed with the Board the summary of past Board committee meetings.

**2009 Pricing Plan Recommendations** – Director of Service Planning, Accessibility, and Marketing Andy Vobora distributed copies of a communication piece developed for the State legislature and copies of the January 2009 Performance Report.

Mr. Vobora called attention to the peer group fare comparison included in the Board meeting materials. Mr. Vobora reviewed the performance report.

**Legislative Update** – Mr. Viggiano noted high-priority legislative issues for LTD, including legislature regarding repayment of property taxes for agencies that failed to file a needed exemption form. The bill had a hearing that day before the House Revenue Committee, and he and a representative from Willamalane Park and Recreation District offered testimony. A representative from the Oregon Transit Association testified in support of the bill, and the Association of Oregon Counties representative indicated that there were several other potentially affected agencies. The Lane Board of County Commissioners discussed the bill that day but took no formal action. Responding to a question from Mr. Eyster, Mr. Viggiano said that \$89,000 was at issue for LTD.

**Monthly Financial Report** – Director of Finance and Information Technology Diane Hellekson noted the distribution of the January finance report to Board members. She said that as of today, LTD had received 101.5 percent of the previous year's payroll taxes for the same period.

Ms. Hellekson emphasized the complexity of the funding picture and the many budget issues facing LTD. She said that staff would attempt to present all of the pieces to the Board on March 2 with the goal of creating a long-term plan.

Ms. Hellekson added that ridership remained strong but had leveled off somewhat. She relayed that gas prices were going up with rumors of \$3 per gallon by Memorial Day, but that



amount would still be below budget. She said that staff proposed to buy and store fuel to lock in prices during the next few months.

Responding to a question from Mr. Kortge, Ms. Hellekson replied that she did not know if Country Coach had paid its payroll taxes. She recalled the District's establishment of a program to track payroll tax compliance issues and said that the program was up and running. She anticipated it would be very productive and perhaps pay for itself. She suggested that staff could provide a report on that effort at a future meeting.

Mr. Evans asked if the Board would be presented with a forecast of what would happen if the local economy experienced a drastic downturn. Ms. Hellekson said that staff could model such a scenario, but she was more optimistic than she had been in the immediate past because of positive growth in the payroll tax. She anticipated several major construction projects would occur in the near future that would contribute to LTD's bottom line.

**Monthly Department Reports** – Mr. Eyster solicited questions. There were none.

Mr. Pangborn reported that the Board of County Commissioners had approved an emergency ordinance earlier that day to allow the use of the armory as an emergency shelter for homeless individuals when the temperatures drop below freezing. LTD will be involved in the program providing transportation to the armory for homeless people.

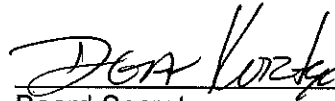
Mr. Pangborn added that LTD was getting close to an arrangement with Tyree Oil about buying fuel at current prices and storing it at a Tyree storage facility. He anticipated future Board discussion concerning the proposal.

**Monthly Performance Reports** – There were no questions.

#### **ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING**

- A. Budget Discussion (March)
- B. RideSource Call Center Brokerage (March)
- C. First Reading Amended Fare Ordinance (March)
- D. Revised Capital Improvements Program Adoption (March)
- E. Revised Long-Range Financial Plan Adoption (March)
- F. Commuter Solutions Annual Report (March)
- G. Pension Plan Update (March)
- H. LTD Rebranding (March)
- I. Legislative Bill Updates (Future Meetings)
- J. Annual Performance Report (Summer 2009)
- K. West Eugene EmX Extension Update (Future Meetings)
- L. Gateway Station Construction Updates (Future Meetings)
- M. LTD Sustainability Plan (Future Meeting)
- N. Park and Ride Program (Future Meeting)

**ADJOURNMENT** – There being no further business, Mr. Eyster adjourned the meeting at 7:28 p.m.

  
Board Secretary

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