

MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT  
SPECIAL BOARD MEETING/LUNCHEON

Tuesday, October 12, 2010

Pursuant to notice given to *The Register-Guard* for publication on October 7, 2010, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a Board luncheon meeting on Tuesday, October 12, 2010, beginning at 11:30 a.m., in the LTD Board Room at 3500 East 17<sup>th</sup> Avenue, Eugene.

Board

Mike Eyster, President  
Greg Evans, Vice President  
Dean Kortge, Secretary  
Ed Necker, Treasurer  
Doris Towery  
Mike Dubick  
Gary Gillespie

Community Leaders

Gino Grimaldi  
Dan Egan  
Nancy Golden  
Tom Draggoo  
Warren Wong  
Rob Zako

Consultants

Kristin Hull, CH2M Hill  
Sam Seskin, CH2M Hill  
Thomas Brennan, Nelson Nygaard,  
David Helton, Oregon Department  
of Transportation

Staff

Mark Pangborn, General Manager  
Stefano Viggiano, Assistant General Manager  
Tom Schwetz, Director of Planning and Development  
Mary Adams, Director of Human Resources and Risk  
Management  
George Trauger, Director of Maintenance  
Diane Hellekson, Director of Finance and Information  
Technology  
Andy Vobora, Director of Service Planning, Accessibility,  
and Marketing  
Charlie Simmons, Facilities Services Manager  
Jeanne Schapper, Administrative Services Manager/Clerk  
of the Board  
Todd Lipkin, Financial Services Manager  
Carol James, Chief Accountant/Internal Auditor  
Mary Archer, Transit Development Planner  
Renee Jones, Administrative Secretary  
Ruth Atcherson, Minutes Recorder

**INTRODUCTIONS AND WELCOME:** Mr. Eyster convened the meeting at 11:41 a.m. and thanked everyone for attending. He called the roll and asked that everyone present introduce themselves. With the exception of Mr. Evans, all Board members were present. Mr. Evans arrived at 11:53 a.m.

**UPDATE ON THE FORMATION OF AN AREA COMMISSION ON TRANSPORTATION (ACT):** Director of Planning and Development Tom Schwetz stated that the Oregon Department of Transportation had established the ability to form ACTs as advisory groups from around the state to inform the Oregon Transportation Commission (OTC) as it made decisions, primarily around the funding of the State Transportation Improvement Plan. In 2009 the State Legislature directed

Lane County to develop an ACT. Committee membership includes representatives from the County, cities within the County, LCOG, and LTD. Board President Mike Eyster represents LTD on this committee. Mr. Schwetz reviewed the Lane ACT formation process to date. The Board of County Commissioners had held a meeting the previous week and invited other stakeholders that had participated in the formation of the Lane ACT and the development of its bylaws. Mr. Schwetz said that the core of that meeting related to the manner in which the first citizen members would be appointed to the ACT. He relayed that the majority of commissioners had wanted the Lane County Board of Commissioners to make the appointments. However, others who had met on the previous night with State Senator Floyd Prozanski and State Representative Paul Holvey opposed this process and wanted the appointments to be made by the ACT. Mr. Schwetz added that the original intent was for the County Commissioners to select one representative. The group ultimately decided that the Board of Commissioners would select one representative from the Highway 126 area; and the ACT would select four others representing expertise in bicycling, pedestrian, trucking, and land-use issues. Next, those five people would join and select the rest of the membership. The proposed bylaws were being amended to reflect this process. Mr. Schwetz said that the OTC would meet on November 9 in Keizer, Oregon.

Mr. Eyster did not see any negative implications for LTD in the bylaws.

Mr. Zako added that the final compromise was very close to what Senator Prozanski and Representative Holvey had prepared. He said that the Eugene City Council had voted unanimously to support this plan.

Mr. Gillespie said that this compromise was preferable to having all of them appointed by the Commissioners.

The remaining LTD Board members voiced their support for the compromise.

**OVERVIEW LONG-RANGE TRANSIT PLAN GOALS:** Transit Development Planner Mary Archer provided an overview of the Long-Range Transit Plan (LRTP) outreach plan to-date. She said that it fit in with what the Cities of Springfield, Eugene, and Coburg, and the Lane Council of Governments (LCOG) were doing with their transportation plans. She stated that the plan looked from 20 years in the past to 20 years into the future. She shared the general framework for the LRTP schedule. She added that Mr. Necker was a member of the Project Advisory Committee.

**PROCESS FOR DEVELOPING FUTURE SCENARIOS:** Mr. Schwetz stated that a scenario approach was less about making a point forecast and more about thinking about the different ways the future might unfold. An example of a point forecast is Lane County's population forecast, which doesn't reflect any of the unforeseen factors that could make population growth higher or lower in the future.

Mr. Schwetz said that within the packets provided were the steps that went into developing future scenarios, which started with asking focal questions. He shared a list of driving forces that would be considered, which were the underlying causes that helped to explain why they saw trends and events that may occur.

Mr. Schwetz stated that the consultants and team members had engaged in an exercise at a meeting on the previous evening to define uncertainties. They had then discussed what would have the most impact on LTD, including benefits costs, fuel costs, and technological changes, among others. Mr. Schwetz said that staff would facilitate an exercise at this meeting that would ask those present to think about how the future could unfold in different ways.

**ALTERNATIVE SCENARIO FRAMEWORKS:** Mr. Schwetz outlined the potential framework for a discussion, considering high and low demand, and stable and unstable sources of funding. He then asked for input from those in attendance.

Input included the following factors that could lead to an increased demand for transit:

- Aging population
- Population increase
- A green economy
- Increased fuel prices
- Lack of parking
- Better service
- Congestion
- Image (e.g. EmX)
- The system becoming more frequent and reliable, or possibly free of charge

Mr. Egan said that he thought that if the view of mass transit from the public went from a nice amenity to a core service, it would increase demand.

Mr. Necker suggested that mass transit could become a cultural norm, as it is in Europe.

Mr. Evans noted that in some ways, the transit service had become a social service in that it served the working poor.

The following factors were suggested as reasons that might lower demand for transit:

- If there were no service, there would be no demand
- Infrequent or unreliable service
- Technology increasing the number of green vehicles
- Better pedestrian walkways in neighborhoods
- Increasing numbers of people working from home
- Buses becoming neglected and worn because the District could not afford to maintain the fleet or replace older buses.
- LTD experiencing a period of poor leadership and was disconnected from the populace
- LTD faced with a private sector competitor
- Transit demand reaching a natural limit relative to alternatives

Mr. Schwetz asked the group to consider funding. He said the current world was experiencing unstable funding.

The group cited the following factors that contribute to unstable funding:

- The Americans With Disabilities Act as an unfunded mandate
- The continuing recession
- The business model for transit required that it be subsidized by public money
- Current fares are at one-fifth of the cost; and if fares were increased, it would eliminate service for the working poor

Mr. Gillespie questioned why public transportation was not subsidized in the same way that individual vehicles were. He asserted that the subsidies used to put one car on the road ranged from subsidies for the builder of the car to tax breaks on how much it costs to build a mile of highway.

Mr. Evans observed that the paradigm had shifted from the good of the people to the good of the individual. He recalled that in the 1950s and 1960s, people in the city where he had grown up had voted on a sales tax to support transit; but now some people were not so willing to support services as basic as the post office. Mr. Evans added that the big push in industry was toward public/private partnerships. He cited the example of Union Pacific in Washington, which had

provided a local match for federal money to build up the system there. He commented that if there was money to be made through transit, that was what would happen.

Mr. Egan said that it needed to be determined who would pay to provide transit service. He emphasized that if transit were not valued, there always would be a shortfall in revenue. He also said that transit would need to be nimble. For example, in the future it could be possible that LTD has a system of electric cars that people could check out; and it would behoove LTD to remain ahead of the curve.

Mr. Schwetz said that he sensed from the group that the mission of transit was mobility, and there were a lot of different ways to provide it.

Mr. Evans said that he considered technology to be the "X" factor. He thought that there could be a whole shift in how transit would be used in the future, ranging from a different variety of vehicles to having most everything delivered to people in their homes.

Mr. Kortge stated his belief that the payroll tax was a stable funding source, even though it fluctuated. He said that revenue would become vulnerable if the tax were eliminated.

Mr. Necker said that he considered the main key to stable funding was public support. He recalled the bond measure that had been suggested for the 2008 ballot and that the District had decided there was not enough time to educate the public about the measure. He believed a combination of a payroll tax and property tax would be a more stable source of funding for LTD. He said that this would require political and public support.

Mr. Schwetz clarified that staffs' use of stable versus unstable funding was intended to refer to the variability in the payroll tax and the impact this variability had on LTD.

Mr. Zako expressed that funding was the means to an end, which meant the ability to meet a demand and provide a service.

Mr. Egan said that in the long term there was no such thing as stable funding because there was too much unpredictability in everyone's budgets. To him, it's a contradiction that there is higher demand, and LTD has had to cut service. He said that LTD needed to find a way to reconcile this perception.

Mr. Gillespie said that LTD needed to plan for the future based on quarterly revenue reports from the present. What that revenue would look like in ten years, in terms of a fourth EmX route, would be difficult to predict. He agreed that cutting service in a high-demand period tells more about society and the role of public transportation than it does about the delivery of service.

Mr. Helton suggested that the question at hand may be the ability to provide service in the future. He thought that the issue was not only the level of funding available, but the ability to respond to changes with the business model.

Mr. Zako commented that if they had a cost structure that would allow the service to be provided more effectively, the service could be provided to more riders. He said that LTD was a nonprofit organization, and people contributed money to provide a service. He suggested that one state strategy for the reduction of greenhouse gas emissions could be for LTD to provide a 10 percent load share. Mr. Pangborn indicated that this would not be possible.

Mr. Gillespie said that support from the state legislature and federal government for mass transit was something they had not discussed. He pointed out that funding released for mass

transportation from the Obama Administration was something that would not have been seen in the Bush Administration.

Mr. Dubick relayed statistics that Mr. Pangborn had shared with him indicating that LTD was ranked 30<sup>th</sup> in the nation out of 515 transit districts in the number of rides per revenue hour. He stated his belief that the District was spending its money well.

**NEXT STEPS/WRAP UP:** Mr. Schwetz thanked the group for its input.

Mr. Grimaldi commented that the word he had not seen in this discussion was "customer." He encouraged LTD to define the word broadly. Mr. Grimaldi said that a car that is stuck behind a stopped bus is a customer. He commented that if a bus was moved off a busier street so that it did not slow down automobile traffic, those customers would be happier.

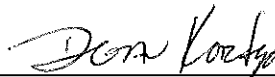
Mr. Dubick said they should not forget that a great many of the people who rode the bus were low-income, people of color, and/or working poor.

Mr. Egan said that he is happy to pay taxes for fire, police, schools, and other public services, some of which he has never used. He said that the same value should apply to the bus system. There could be a precarious future for transit if LTD isn't able to instill in society the desire to share this value.

Mr. Eyster thanked everyone for coming. He appreciated the thoughts that had been brought to the table.

Mr. Schwetz quoted Global Business Network, "one of the best practitioners of the scenario development process," which had said that a strategic conversation within an organization began with a conversation among remarkable people. He considered those present to be a room full of remarkable people.

**ADJOURNMENT:** Mr. Eyster adjourned the meeting at 1:10 p.m.



Board Secretary