

MINUTES OF FINANCE COMMITTEE MEETING  
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

March 21, 2011

Pursuant to notice given to *The Register-Guard* for publication on March 18, 2011, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Finance Committee was held on March 21, 2011, at Lane Transit District, 3500 East 17th Avenue, Eugene.

**PRESENT** - Mike Dubick, Dean Kortge, Ed Necker

**CALL TO ORDER** – Mr. Kortge, chair of the committee, called the meeting to order at 3:58 p.m.

**ROLL CALL** – All committee members were in attendance. The following LTD staff also were present: Diane Hellekson, Mark Pangborn, Todd Lipkin, Mary Adams, Andy Vobora, Jeanette Bailor, and Chris Thrasher.

**MINUTES** – Minutes from the October 12, 2010, meeting of the Finance Committees were approved.

**GROUP PASS PROGRAM** – Mr. Vobora, director of service planning, accessibility, and marketing, provided a history of the group pass program. Over the 23 years the program has been in existence, a number of factors have changed to a point where there may be a need or desire to revisit whether the group pass program should continue in its current form:

- Bus capacity, throughout the system, is at a premium during peak travel times.
- Routes serving large group pass organizations are becoming oversubscribed.
- Resources are unavailable to meet the growing demand for service.

In response to a question from Mr. Dubick, Mr. Vobora stated that the current monthly rates are \$4.57 per participant of a taxpaying business and \$5.32 per participant of a non-taxpaying business, which is approximately 10 percent of the cost for a monthly pass. Businesses must pay for a minimum of 10 individuals. Mr. Vobora noted that LTD rates are low compared to other transit agencies throughout the nation.

Mr. Vobora stated that there are currently 89 businesses in the program with an approximate total of 65,000 participants. This includes 25,000 in the Student Transit Pass Program (middle and high school students) and 40,000 UO and LCC students. PeaceHealth, who currently buys monthly passes as needed, is considering returning to the program.

Mr. Pangborn, general manager, stated that funding for the Student Transit Pass Program comes from the Oregon Department of Energy's Business Energy Tax Credit in the amount of \$1.3 million per year. In turn, businesses in the program are eligible to request a tax credit through this program. The Legislature is currently considering eliminating this program or reducing funding.

In response to a question from Mr. Necker, Mr. Pangborn stated that no rate increase is proposed for calendar year 2012.

The committee approved staff to conduct more research.

**SERVICE BOUNDARY ISSUE** – Mr. Vobora stated that a taxpaying business in the River Road area, a mile north of the urban growth boundary, believed that 2½ miles from LTD service was not a reasonable distance to access transit. Staff is analyzing the effects of changing the boundary to three-quarters of a mile from service, which would be consistent with the RideSource standard.

**SERVICE WITHDRAWAL REQUEST** – Mr. Vobora stated that a business owner in Cottage Grove is considering petitioning for withdrawal of Cottage Grove bus service. The owner would need signatures from 15 percent of the electoral to present to the LTD Board, which in turn the Board could approve the change through a resolution. According to law, the petition process can only be done once every five years, which means that 2011 is a year where someone could affect a change through the petition process. Another option would be to work directly through the city council, which could be done any time as long as the Board is agreeable.

Staff would attend a Cottage Grove City Council meeting on April 11, 2011, to provide an update on ridership, budget, etc., and would be prepared to discuss the process for the withdrawal request.

**APRIL 11 WORK SESSION AGENDA** – Ms. Hellekson, director of finance and information technology, reviewed a tentative agenda of the April 11 Special Joint LTD Board and Budget Committee work session. The primary focus of the work session is to review the Long-Range Financial Plan and set priorities, and discuss the pension plans, health care, and wages.

Mr. Kortge suggested adding discussion regarding (1) current payroll tax revenue and how much is received because of construction projects, and (2) cost of running EmX versus regular service.

**LEGAL SERVICES RFP** – Jeanette Bailor, purchasing manager, stated that it is a Federal Transit Administration requirement to select legal counsel through a competitive process. Although contracts are typically five-year contracts, the current legal services contract was established in 1998 and was extended based on findings that it was to LTD's benefit to stay with the same firm. The committee had no changes to the draft request for proposals (RFP) and interview questions, and a final RFP would be mailed to local firms on March 28, 2011. The committee, acting as the Legal Counsel Selection Committee, would review submitted proposals; interview firms, if necessary; and recommend a firm for approval by the full Board at the May 18 meeting.

**ADJOURNMENT** – There was no further discussion, and the meeting adjourned at 5:03 p.m.

(Recorded and transcribed by Chris Thrasher, Lane Transit District)