

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL BOARD MEETING

Monday, May 14, 2012

Pursuant to notice given to *The Register-Guard* for publication on May 10, 2012, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a special board meeting and public hearing on Monday, May 14, 2012, beginning at 5:30 p.m., in the Bascom-Tykeson Room, Eugene Public Library, 100 West 10th Avenue, Eugene, Oregon.

Present: Mike Eyster, President
Ed Necker, Treasurer
Dean Kortge, Secretary
Michael Dubick
Gary Gillespie
Doris Towery
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

Absent: Greg Evans, Vice President

CALL TO ORDER/ROLL CALL: Mr. Eyster convened the meeting and called roll at 5:28 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Eyster announced that the District had hosted a delegation from Nashville, Tennessee, that was visiting the Eugene-Springfield area to review the EmX system. He said that Nashville was considering implementing a bus rapid transit system; and during their visit they interviewed LTD staff, local elected officials, and businesses. He said that LTD felt honored that EmX was considered a model system by other communities.

COMMENTS FROM THE GENERAL MANAGER: General Manager Ron Kilcoyne said that the American Public Transportation Association held a bus rodeo as part of its annual conference and LTD's entrant, Bus Operator Justin Martin, finished seventh out of more than 40 drivers.

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

BOARD CALENDARS: Mr. Kilcoyne reviewed activities on the Board calendars. He specifically noted that the May 16 Board meeting would begin at 4:30 p.m., followed by the Budget Committee meeting at 6:00 p.m. The Budget Committee meeting may be continued on May 17, if necessary.

PUBLIC HEARING: FISCAL YEAR 2012-2013 PRICING PLAN: Director of Service Planning, Accessibility, and Marketing Andy Vobora reviewed the current fares and proposed increases in the following categories:

Category	Current Fare	Proposed Fare	%of Increase
Adult cash	\$1.50	\$1.75	16.7%
Half-Fare & Youth Cash	\$0.75	\$0.85	13.3%
Adult Day Pass	\$3.00	\$3.50	16.7%
Half-Fare & Youth Day Pass	\$1.50	\$1.75	16.7%
RideSource Fare	\$3.00	\$3.50	16.7%
Group Pass Monthly Contract-Taxpayer	\$4.57	\$4.84	5.8%
Group Pass Monthly Contract-Non-taxpayer	\$5.32	\$5.63	5.8%

Mr. Vobora stated that the last fare increase occurred more than four years ago. He reviewed the history of fare pricing since 1981, and he noted that the RideSource fare was priced at twice the adult cash fare, which was consistent with the Americans with Disabilities Act. He also compared LTD's fare pricing with those districts of comparable size.

Mr. Vobora said that staff were developing a proposal for a 10-ride punch card in response to the Board's direction. He said that preliminary discussions had identified some benefits and costs associated with a punch card. Benefits included mitigation of the fare increase, customer convenience, availability in sales outlets, and increased prepaid fare use. Costs included printing, operator interaction, potential revenue loss, potential inventory control issues, and EmX fare enforcement.

Board members raised several issues related to the punch card proposal for staff to examine, including distinguishing between youth and adult cards with color coding, number of punches when using the card for one-way trips or as a day pass, durability of the punch card material, and potential sponsorship of the cards.

Mr. Vobora estimated that printing costs would be approximately \$2,000. He said that staff would return to the Board with a specific punch card proposal.

Mr. Eyster explained the guidelines for providing public testimony and opened the public hearing.

Wendy Butler-Boyesen, 1265 City View, Eugene, stated that she was a full-time bus rider and did not own a car. She said that she would feel the financial impact of the fare increase, but said that she felt that riders needed to pay their fare share for transit services. She supported the concept of a punch card.

Kris Mcalister, 839 3rd Place, Springfield, said that he was a bus rider and information volunteer. He also used RideSource. He commented that the fare increase would discourage riders from using the bus, and he knew a number of people who had stopping riding because they could not afford the current fares. He urged the Board to not adopt the fare increases.

Jamall Richardson, 6310 A Street, Springfield, student at Lane Community College and full-time EmX and regular service rider, commented on inappropriate behavior by a bus driver. He added that he did not feel the fare increase was fair. He said that buses were often either late or early, and he had missed classes because buses were not on schedule. He objected to the fare increase because he did not feel that riders were getting the service they deserved.

Josef Siekiel-Zdzienicki, 1025 Taylor Street, Eugene, said he walked and occasionally rode the bus. He liked the idea of a punch card, which would give riders more options and, therefore, encourage more people to use the bus.

Mark Robinowitz, no address given, urged the District to change its model, which he said assumed that oil would be cheap forever. He noted that LTD was part of the Lane Council of Governments, which declared in 2008 that the price of gasoline would rise to \$2.50 per gallon by 2025. He said that LTD's budget was based on certain assumptions about Lane County's economy, and those assumptions no longer worked. He said that Peak Oil occurred in 2008 and drilling was occurring at a faster pace in order to keep up with demand. He stated that oil used in Oregon and Washington comes from Alaska, and the Alaskan pipeline peaked 25 years ago and is now almost dry. Mr. Robinowitz said that he supported public transit; however, he questioned the projected cost of the West Eugene EmX Extension (WEEE). He said that Oregon law required that public transit, transportation, and land-use planning be linked, and he questioned how the WEEE route met that requirement. He distributed two documents: *Lane County VMT – Oregon State Highways* and *Peak Money: A Permanent Change*.

There being no further testimony, Mr. Eyster closed the public hearing.

Mr. Vobora explained that farebox recovery from all passenger fares ranges between 17 and 20 percent annually and occasionally was as high as 23 percent of the operating budget.

Mr. Eyster said that was why increases or decreases in ridership had a relatively small impact on the operating budget. Mr. Vobora agreed, particularly with the number of riders in the group pass system.

Mr. Necker commented that the cash fare riders were a smaller percent of riders. Mr. Vobora agreed, noting that cash fares represent about 25 percent of riders.

EMPLOYEE OF THE MONTH: The Board recognized Accessible Services Coordinator Susan Hekimoglu as the June 2012 Employee of the Month.

Mr. Eyster thanked Ms. Hekimoglu for her service and dedication to LTD's mission and presented a certificate of appreciation, a check, and a pin commemorating the award. Ms. Hekimoglu thanked the Board for her award and expressed her appreciation for 25 years of enriching and rewarding employment with LTD. She said that she had discovered a passion for customer service during her years with the District.

ITEMS FOR ACTION AT THIS MEETING

MOTION Consent Calendar: Mr. Kortge moved adoption of LTD Resolution No. 2012-09: It is hereby resolved that the Consent Calendar for May 14, 2012, is approved as presented. Ms. Towery provided the second. The Consent Calendar consisted of the minutes of the April 9, 2012, Special Board Meeting and April 18, 2012, Canceled Board Meeting.

VOTE

The Consent Calendar was approved as follows:

AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Evans (1)

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Mr. Eyster said that the reports were included in the agenda packet. There were no questions or comments.

Monthly Financial Report: Ms. Hellekson said that the District was now 10 months into the fiscal year and will achieve the budget on payroll taxes. She said that personnel services are being carefully managed and are staying consistent with the budget. Although fare revenue was down due to loss of Business Energy Tax Credit dollars for the student transit pass program, the District had been extremely cautious about budgeting fuel and would finish the fiscal year under budget in that category, which would help offset the fare loss.

Mr. Kortge inquired about including the unfunded liability of pension plans in the budget document. Ms. Hellekson said that would be discussed during the upcoming budget presentation at the May 16 Board meeting. She said that the unfunded liability was included as a footnote in the Comprehensive Annual Financial Report and would be booked to the balance sheet beginning in 2014.

Mr. Kortge urged that the unfunded pension liability be specifically identified, along with the unfunded liability related to other post-employment benefits.

Other Items: Mr. Kortge asked when the Board would again vote on the WEEE. Mr. Kilcoyne replied that the Federal Transit Administration (FTA) had not yet released the Environmental Analysis, which would trigger a 45-day review period. Following the public review process, the FTA would determine if new information had been obtained and issue a Finding of No Significant Impact (FONSI). He said that once the FONSI was issued, the Eugene City Council and LTD Board would be asked to reaffirm the project. He said that a vote might not be held until October 2012.

Mr. Kortge asked Mr. Kilcoyne to provide the Board with a copy of the consultant's report. He also asked that the Board be provided with information on the operating costs of the WEEE well in advance of another vote on the project.

Mr. Gillespie asked about the status of the federal transportation budget. Mr. Kilcoyne said that a House and Senate conference committee had been convened to try to reconcile differences between bills. He said that the Senate version was a two-year bill with primarily positive changes and no cuts to funding. The House had passed a three-month extension to current legislation, with the addition of some items not related to transportation. He said that the Conference Committee will be addressing authorizing legislation that establishes policies related to transportation. The Senate Appropriations Committee had passed an appropriations bill, but it was based on current legislation and not future legislation. He said that it appeared that the funding available in 2013 would be the same as 2012. Mr. Kilcoyne added that he felt it was likely that no action would be taken until after the 2012 election.

Mr. Necker asked about the status of earmarks and discretionary funds as they affected transit. Mr. Kilcoyne said that there was no congressional earmarking; discretionary funds were distributed


by the FTA through competitive grants. He said that the Senate bill ended most discretionary programs and shifted those funds to formula distribution. He said that could result in more formula funding for LTD. However, LTD had been successful in the past in obtaining discretionary grants for large purchases such as buses; and without those discretionary funds, would likely have to finance future vehicle purchases.

Mr. Dubick requested a projection of increased fare revenue as a result of the WEEE.

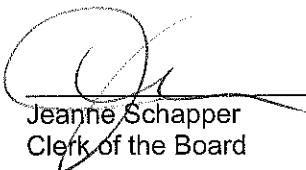
ADJOURNMENT: Mr. Eyster adjourned the meeting at 6:28 p.m.

LANE TRANSIT DISTRICT

ATTEST:



Dean Kortge
Board Secretary



Jeanne Schapper
Clerk of the Board

Date Approved: June 20, 2012

Q:\Reference\Board Packet\2012\06\June 20 Regular Mtg\BDMIN_5-14-12.docx