

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/WORK SESSION

Monday, October 8, 2012

Pursuant to notice given to *The Register-Guard* for publication on October 4, 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/work session on Monday, October 8, 2012, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

Absent: Doris Towery, Vice President

CALL TO ORDER/ROLL CALL: Mr. Greg Evans convened the meeting and called roll at 5:30 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: None.

COMMENTS FROM THE GENERAL MANAGER: None.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: None.

WORK SESSION

2013-15 Oregon Legislative Session Anticipated Legislation: Director of Human Resources and Risk Management Mary Adams introduced Doug Barber, who is LTD's lobbyist in Salem on legislative matters. Ms. Adams summarized HB 2537, a bill that was passed in 2007, which added transit employees to the list of groups that were strike-prohibited. HB 2537 also required all strike-prohibited groups to use binding arbitration to resolve disputes over collective bargaining agreements. The bill had little opposition at that time, and the LTD Board did not take a position on the bill.

Ms. Adams added that since the passage of the original legislation in 1995, overall about half of the arbitrations have been won by employers. However, 13 of the last 17 decisions were won by employers, which likely reflects the economic conditions during the recession. She said that until the recent TriMet contract, no transit contracts had required arbitration to resolve since 2007, (LTD has had three contract settlements during that period). According to the arbitrator, the decision was in favor of TriMet because the contract proposed by the Amalgamated Transit Union (ATU) cost \$12 million more to implement than the contract proposed by TriMet.

Ms. Adams informed the Board that there would be an effort in the upcoming legislative session to repeal HB 2537 at the behest of TriMet because of concerns that the process of binding arbitration made it much more difficult for the employer to effect significant change in the labor agreement. She said that TriMet would raise the issue with the Oregon Transit Administration (OTA) and ask whether other districts or the OTA wished to join in the repeal effort. Ms. Adams asked the Board for its position if a bill to repeal HB 2537 was introduced.

Mr. Barber clarified that a proposed bill would only seek to remove transit employees from the groups that were strike-prohibited, not abolish the strike prohibition statute. He said that once the legislative process began, he would be watching for the introduction of related issues and whether the language of the bill was broad or narrow.

Mr. Eyster asked if ATU's position on such a bill was known and how contract disputes would be resolved in the event that HB 2537 was repealed. Ms. Adams replied that contract dispute resolution would revert to the process used prior to enactment of HB 2537: the bargaining would proceed as it always had; and if agreement could not be reached, the union had the right to strike and the District had the right to implement. Mr. Barber said that he did not know ATU's position on repeal.

Mr. Kilcoyne expressed his thoughts that the ATU would likely oppose the bill. Mr. Barber added that the ATU's position might have changed following the TriMet decision.

Mr. Gillespie said that he thought that perhaps both sides would support a bill because each thought that they would get what they wanted. He said that the problem was that the arbitration process no longer included the opportunity for either or both sides to agree to some compromises, with the final decision left to the arbitrator. Now it was winner take all, which makes the unions more willing to settle before going to arbitration.

Mr. Necker asked why TriMet was interested in repealing the bill, given that the district had won the decision.

Mr. Gillespie commented that a TriMet employee group not currently covered by a collective bargaining agreement was applying for representation, and that could be part of the motivation.

Ms. Adams said that a classic argument against arbitration is that the process takes much longer, and, ultimately, the resolution is made by a third party.

Mr. Kortge said that he agreed with Ms. Adams' assessment. He raised the question of whether elected boards would become a subject for consideration. Mr. Barber said that it would depend on the relating clauses in the bill. Broad language could bring elected boards up for discussion.

Mr. Dubick expressed that he was somewhat ambivalent, but said that he felt that facing the prospect of arbitration would compel both sides to be more reasonable in their proposals. He said that although arbitration means a longer process, it is a process during which the District could continue to provide service. He was inclined to leave the current process in place as LTD had been able to function successfully within the process.

Mr. Eyster said that he agreed with Mr. Dubick. He generally supported the right to strike, but felt that the current process was acceptable.

Mr. Greg Evans expressed concern about the unintended consequences of reopening the matter. He noted that there had been some interest in the past in changing LTD's governance structure, which he felt was satisfactory as it was. He said that the current process under HB 2537 had worked well during settlement of LTD's last three contracts and would continue to work well in the future.

Mr. Gillespie stated that he was opposed to any changes to HB 2537 in part because of concerns about other issues that could be raised, and also because inclusion of transit employees in strike-prohibited groups identified transit as a necessary public service. He said that arbitration brought reasonableness to the bargaining process.

Mr. Greg Evans determined that the consensus of the Board was to oppose TriMet's proposal to repeal HB 2537.

American Bus Benchmarking Group: Director of Transit Operations Mark Johnson introduced Alex Barron and Mark Trompet of the Railway and Transport Strategy Centre (RTSC), of Imperial College, London. Mr. Johnson said that LTD had joined the American Bus Benchmarking Group (ABBG) about 18 months ago. The ABBG, which is managed by RTSC, was formed for the purpose of helping member transit districts improve the delivery of transit services. He said that RTSC was selected to manage ABBG because of its international expertise, its management of groups such as the International Bus Benchmarking Group (IBBG), and its lack of bias.

Mr. Barron said that the benchmarking process was a search for best practices that would lead to superior performance. He said that a transit agency could not just be good at one thing; it had to be good at everything. The key was looking at all the data on an ongoing basis to compare, measure, and understand performance changes during an extended period of time. He said that the goal of the benchmarking process is to identify strengths and opportunities for improvement and promote the exchange of ideas and information among transit districts. He said that the initiative began in the early 1990s when the largest metro systems around the world joined together to work on common problems. The IBBG was formed in 2004 to address bus operations, and the ABBG came into existence about 18 months ago. Districts participating in ABBG are Vancouver, Eugene, San Joaquin, San Bernardino, Des Moines, Cleveland, Dayton, Rhode Island, St. Petersburg, Stockton, Austin, Salt Lake City, and Fort Worth, representing a diverse geographic and service mix. Two more districts are scheduled to join the group shortly.

Mr. Trompet emphasized that ABBG was owned by its member districts, which set the annual work program; RTSC served as facilitator, manager, advisor, and researcher for the benchmarking groups. Key attributes of benchmarking groups were cooperation, independence, speed, and confidentiality. He said that confidentiality promoted the honest sharing of information with established protocols for external use of data derived from the process.

Mr. Trompet reviewed the tools developed by RTSC that allowed benchmarking groups to make use of data. He said that developing common definitions for data assured an "apples to apples" comparison, and it took approximately three years to perfect a dataset that could be used by managers as the basis for decisions; although preliminary data was still useful for identifying trends, raising questions, and sharing answers among group members. He said that the benefits of ABBG membership included:

- Saving resources by learning where and how to be more productive

- Providing improved allocation and prioritization of resources
- Promoting creative problem solving

Mr. Trompet said that the ABBG annual cycle ran from April through March, and each year five different elements or concepts were addressed – the core of which was the key performance indicators system that drew from both fixed-route and paratransit operations within a district. He said that the system produced databases, reports, custom graphing tools, and context reports containing member profile data. Information was shared in a variety of ways: clearinghouse studies; a secure website with discussion forums and a resource library; annual meetings and networking; and visits from RTSC staff.

Mr. Greg Evans asked if vehicle weight was applied to a district's entire fleet or specific components of a fleet, such as 30', 40', or 60' buses. Mr. Trompet replied that it was the average axel weight of vehicles; but group wide, it was broken down by vehicle type. He noted that North American buses were about 30 percent heavier than buses in Europe and Asia, and that was apparent in fuel economy data. He said that RTSC felt that North American buses were too heavily specified compared with buses across the world, resulting in unnecessary costs.

Mr. Greg Evans asked why American buses were so much heavier. Mr. Trompet said that it appeared to be a regulatory matter that required North American districts to use the heavier vehicles.

In response to a question from Mr. Gillespie, Mr. Johnson said that LTD's ABBG participation agreement was for an initial period of two years, then renewable annually.

Mr. Gillespie asked if it was necessary for LTD to modify data in order to participate and whether that would require additional staff time to prepare. Mr. Johnson replied that some investment of staff time would be required initially to define data and create standards for the group, but that time investment would lessen as the process continued. He gave examples of how operational standards varied from district to district, which made it necessary to develop common definitions at the outset of the process.

In response to a question from Mr. Necker, Mr. Trompet said that the other benchmarking group, IBBG, was currently composed of 13 members: Barcelona, Brussels, Dublin, Lisbon, London, Montreal, New York City MTA and MTA Bus, Paris, Seattle, Singapore, Sydney, and Vancouver. He said that Istanbul was being approached about membership.

Mr. Kortge commented that it was impressive to have an outside academic group like RTSC provide perspective and raise issues like the weight of North American buses. He cautioned that benchmarking could drive the group toward a norm, which could be mediocrity, when the goal was better performance for all agencies.

Mr. Johnson said that the cost for LTD's participation was \$15,000 per year, which gives the District full access to 15 consultants on a confidential basis when questions about performance issues arose. He gave the example of recent information sharing among members about whether it was better to buy or lease tires.

Mr. Greg Evans asked if LTD was using the ABBG data to change procedures, such as purchasing habits, to improve District efficiency. Mr. Johnson said that was the intent, although the initial focus

was to refine data collection among group members to ensure accurate comparisons that would provide reliable information.

Mr. Greg Evans thanked Mr. Barron and Mr. Trompet for visiting the District and providing an informative presentation.

West Eugene EmX Extension Update: Senior Project Manager John Evans reviewed project timelines and benchmarks. He reported that the Eugene City Council had taken action on September 26, 2012, recommending that LTD proceed with design and construction of the West 6th/7th/West 11th EmX Extension. The LTD Board would be presented with an opportunity to take action on the project later in the meeting. Mr. Evans said that if the Board approved the Locally Preferred Alternative (LPA), LTD could enter into project development with a combined process of preliminary engineering and final design, which he anticipated would take 12 to 18 months, followed by construction. He said that a Finding of No Significant Impact (FONSI) also would be completed and would include all of the mitigation developed as part of the environmental process. The FONSI would obligate LTD to include those mitigations in construction of the project.

Mr. Eyster commented that additional mitigation could occur during project development, but only if it made the route more desirable for business and property owners. Mr. John Evans agreed that any additional mitigation could only reduce impacts for property owners, not increase them. He predicted that the Federal Transit Administration (FTA) would complete the FONSI by the end of the current calendar year.

Mr. Necker asked if more public hearings would be required. Mr. John Evans said that the public process had been completed, and no further hearings were needed.

Mr. Necker asked how information for any additional mitigation would be obtained. Mr. John Evans said that it would have to be documented along with design details provided through the project and reviewed by the FTA. Director of Planning and Development Tom Schwetz added that information on any additional mitigation needed would be derived from LTD's work with adjacent property owners during the design phase. Those mitigations would have to be confirmed by FTA during the design process as consistent with existing mitigations.

Mr. Greg Evans inquired about the status of a business assistance program associated with the project. Director of Customer Services and Planning Andy Vobora said that staff met the previous week to review documentation from other districts on business assistance programs, and developed an initial draft. He said that typically a program was not launched until just before construction, but LTD wanted to implement business assistance services at an earlier point in the project. A business advisory group would be created from business and property owners along the corridor to help develop an assistance program. He would provide the Board with regular updates on program development and implementation.

ITEMS FOR ACTION AT THIS MEETING

MOTION West Eugene EmX Extension LPA Selection: Mr. Necker moved the following resolution: LTD Resolution No. 2012-021: It is hereby resolved that the LTD Board of Directors approves the West 6th/7th/West 11th EmX Extension for project development, including initiation of preliminary design, final design, and construction. Mr. Dubick provided the second.

Mr. Kortge said that there is no right way to make a wrong decision. He said that EmX was a good idea conceptually, but he expressed concern about spending money on the West Eugene EmX Extension (WEEE) project. He asked about the projected ridership on the Springfield Station-PeaceHealth line compared with actual ridership. Mr. Vobora used a chart to illustrate ridership for the Franklin and Gateway EmX lines with data divided by collegiate school year and summer break to show the impact of Lane Community College, University of Oregon, and K-12 riders.

Mr. Kortge asked if the data was for the entire EmX system or just for the Gateway line. Mr. Vobora said that the data reflected the entire system. When the Gateway line was implemented in 2011, boardings increased to about 3,000 per day in the first year and now have grown to 3,700 boardings per day.

Mr. Kortge said that the Gateway line was expensive to construct and asked what the projected boardings for that segment were compared with the actual boardings. Mr. Vobora said that the Gateway project description projected 7,452 boardings for the entire system the opening year, and actual boardings were 8,964. He noted that the projections were made before the Franklin line was operative.

Mr. Kortge reiterated that he was concerned with the projected number of riders on the Gateway line and how close it was to the actual number. He had expected that the ridership on the Gateway section would be much greater than on the Franklin section due to the hospital and other businesses in the Gateway area. Finance Manager Todd Lipkin pointed out that the impact of the Gateway extension was system-wide because riders might board at Franklin then ride to Gateway.

Mr. Kortge said that he was concerned with three things: 1) the ridership projections for WEEE; 2) the number of people currently riding the regular bus to West Eugene; and 3) whether the cost of operating the WEEE was worth the cost of building it for that number of people. It was the operational costs that he wanted to address. Mr. Vobora said that the issue was addressed in the analysis provided to FTA, which FTA used to determine if the project was worth funding.

Mr. Kortge said that he was not convinced that the operational costs of a West Eugene EmX line were acceptable.

Mr. Kilcoyne said that the Environmental Analysis estimated 500,000 more transit trips per year. He said that when comparing the WEEE corridor to other EmX corridors, more ridership is anticipated than on the Gateway line because of population densities along the route. He agreed that there were no sizeable destinations like a hospital in West Eugene, but there were many high density, lower-cost housing residential areas that attracted many students and others traveling to the University, along with numerous employers and retail destinations. He said that the current ridership in West Eugene was lower than it should be due to a lack of service in the area. He used downtown Springfield to Thurston as an example of a route with no large destinations; but LTD was operating ten-minute service with articulated buses, and the route was as productive as EmX. He said that West Eugene should be attracting even more ridership. Mr. Schwetz added that the Environmental Analysis projected 2,000 new riders per day on the West Eugene corridor.

Mr. Kortge indicated that he was still not convinced that it was the right corridor.

Mr. Dubick commented that EmX had to be viewed system-wide, and building out to West 11th Avenue was a good decision for anyone who lived in West Eugene and worked anywhere else on the system. He said that extending the system would create efficiencies that would benefit the people of Eugene and all LTD riders.

Mr. Necker supported the EmX system. He noted that many of the signs that opposed EmX stated that they wanted more buses everywhere; but LTD does not have the funds to put more buses everywhere, and more buses would only mean greater congestion. He said that it is less expensive to operate EmX than the fixed-route system, and the EmX line is better for the environment. He said that he appreciated Mr. Kortge's concerns, but he felt that the EmX is a system that would prove itself over time.

Mr. Eyster read the following statement into the record:

"I have long been convinced that BRT is a good solution to a number of transit situations. I have NOT always been convinced that it is appropriate for West Eugene. During the past months I have listened to opponents to EmX and considered their arguments. There have been times during the past several months when I thought EmX would be proven to be not a good fit for West Eugene and didn't think I would support it.

However, after considering the points raised by the opponents and the responses to those concerns, I am satisfied that the points raised by the opponents have been addressed, and that EmX will contribute greatly to the quality of our community.

Early in the process we heard that LTD had not notified businesses or property owners, yet, I was in some of those businesses with Mark Pangborn and Stef Viggiano, in the very early days, listening to the concerns of the owners - long before any votes were taken or routes solidified. I participated in a number of public input sessions at the Elks Club on West 11th where staff carefully listened to input from concerned citizens and took that input into account as plans were refined. I know that the route was specifically designed to mitigate or totally eliminate concerns in every case where it was feasible to do so.

We have heard that many parking spaces would be taken from businesses leading to the downfall of the business. LTD did everything in their power to minimize negative parking impacts on businesses. We now know that the impact on parking along the route will be minimal.

I have heard that the EmX route is being advanced in order to ensure that the region gets its share of federal money. Yet I know that the corridors for BRT were established years ago through a public process that articulated regional transportation plans. Transplan was endorsed by all of the major elected jurisdictions in the region. It was developed to ensure a planned strategy to accommodate growth in the area and to ensure that land use and transportation plans would be complementary in the future. West Eugene EmX has never been motivated by a desire to spend federal dollars, although it is unlikely that the project would be possible without federal dollars. The project competed with projects from all over the country and was selected as one of the best, one of the projects worthy of federal support.

I have heard that the route will slow down and congest traffic. However, the studies show that travel time for automobiles and transit BOTH will improve as a result of the project.

I have heard that BRT is extravagant and unnecessary in West Eugene because current transit service is adequate. Yet we know that BRT in West Eugene will connect 52,000 people to 81,500 jobs. We also know that our cost per boarding of our regular service will continue to rise as congestion continues to grow that that cost per boarding of EmX is lower than fixed route service and that rather than increasing every year, as will be the case with fixed route service, the cost per passenger for EmX will stay relatively stable.

I've heard that the District cannot afford EmX. The reality is the District cannot afford NOT to build EmX. If we continue to rely on fixed route service we will get less and less service each year at a higher cost as congestion grows.

I have heard that EmX will hurt business, yet I have heard from business owners who cite EmX as good for their business. I regularly talk with people who tell me about plans to start, expand, or advertise their business based in part on its proximity to EmX.

I have heard that LTD has been determined all along to implement the West Eugene EmX route and did not evaluate the pros and cons objectively. Yet I know for a fact that when Ron Kilcoyne came here he was at best agnostic about the West Eugene route. Skepticism would probably most accurately describe his initial attitude toward the route. Ron worked hard to understand the concerns of the opponents to the route, asked a lot of questions, hired additional consultants, and gave careful thought to the advisability of the route. If Ron is anything he is analytical and objective. I can assure you that this project was carefully analyzed, studied and vetted by Ron as a transportation and public planning expert.

In short, I have given careful consideration to the points in opposition to the West Eugene route and although there may be some things I would have had the District do differently, overall this project is in the best interests of the entire region. It supports the regionally adopted Transplan, and it will improve transit services and help to ensure the viability of public transit in our region into the future. It supports the community value that all of our citizens should have access to shopping, their place of work, their medical appointments and recreation. It also invites people like me who have access to an automobile to drive their car less and reduce green house gas emissions, congestion, and reliance on fossil fuels. The decision to build West Eugene EmX is a statement that we care about each other and we care about our community."

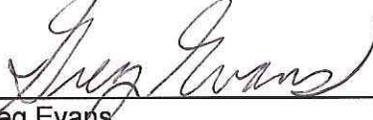
Mr. Gillespie stated he is a strong proponent of collective action for the collective good. He was not in favor of the 6th/7th Avenues alignment, and he preferred 13th Avenue; but he supported the proposal because it was important that the Board's decision continue the process. He said that there had been discussion by some in the community about trying to convince the legislature to withdraw funding for the local contribution to the project in part because of a belief that funds should not be spent on public projects. He said that the project would address universal concerns about jobs by providing 1,200 to 1,400 jobs, most of which would pay a living wage, and some of the millions of dollars Oregonians contributed to the federal government would stay in the community and help it prosper and develop. His question to those who opposed the project was what other city, county, or state would they rather see benefit from those federal funds than Eugene-Springfield, Lane County, and Oregon.

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VOTE The Resolution was approved by roll call vote as follows:
AYES: Dubick, Evans, Eyster, Gillespie, Necker, (5)
NAYS: Kortge (1)
ABSTENTIONS: None
EXCUSED: Towery (1)

ADJOURNMENT: Mr. Greg Evans adjourned the meeting at 7:15 p.m.

LANE TRANSIT DISTRICT



Greg Evans
Board President

ATTEST:



Jeanne Schapper
Clerk of the Board

Date Approved: November 12, 2012