

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, March 20, 2013

Pursuant to notice given to *The Register-Guard* for publication on March 14, 2013, 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, March 20, 2013, beginning at 5:30 p.m., at the Eugene Public Library, 100 West 10th Avenue, Eugene, Oregon.

Present: Greg Evans, President
Gary Gillespie, Vice President
Michael Dubick, Secretary
Ed Necker, Treasurer
Doris Towery
Martha Reilly
Carl Yeh
Ron Kilcoyne, General Manager
Jeanne Schapper, Clerk of the Board
Lynn Taylor, Minutes Recorder

CALL TO ORDER/ROLL CALL: Mr. Evans convened the meeting and called the roll at 5:31 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: Mr. Evans welcomed new Board members Martha Reilly and Carl Yeh. Mr Evans noted that it was his last Board meeting, and that he had enjoyed serving on the LTD Board and working with LTD staff for the past six and a half years.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne stated that the LTD Board meeting would use the new format, which placed public comment at the beginning of the agenda. Mr. Kilcoyne cited the City of Portland's principles for public involvement, which included the observation that three minutes at the beginning of a meeting is not the most effective way to engage the public. Mr. Kilcoyne said that LTD staff are exploring other ways to encourage public input and will present options for improving public involvement to the Board at its May or June meeting.

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

BOARD CALENDARS: Mr. Kilcoyne briefly reviewed the scheduled activities for March, April, and May. He announced that the work session scheduled for April 8 had been canceled, and April 22 had been tentatively reserved for a strategic work session; however, that date did not work for one of the Board members. Board members were directed to optional dates shown on

the Board calendars and asked to contact Ms. Schapper with their availability. Mr. Kilcoyne added that the May 15 Board meeting will begin at 4:30 p.m., to be followed by a Budget Committee meeting at 6 p.m. A second Budget Committee meeting is scheduled for May 16, if needed.

AUDIENCE PARTICIPATION: Mr. Evans explained the procedure for providing public testimony.

Rob Lawler, owner of Rob's Electric on Willow Creek Road, Eugene, spoke to the Board regarding the lack of bus service on Willow Creek Road. He said that there are many employers with several thousand employees within a quarter mile of his location, and those employees do not have access to LTD's bus service. He said that from Willow Creek Road, the nearest bus stop on West 11th Avenue is a half-mile away. Mr. Lawler stated that LTD could potentially gain many new riders by extending service to that area. He stated his concern for the safety of residents. He relayed observations that he has made on various occasions of young mothers from a nearby apartment complex who have been forced to carry their children a half-mile to the bus stop. This requires that they walk through a large, empty field when it is dark and weather conditions are bad. He added that students who ride the bus to school also have to walk through the large field, and he felt that it was unsafe. In response to a question from Ms. Reilly, Mr. Lawler said that there is a sidewalk for a portion of the walk, but there are no street lights.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar:** Mr. Necker moved adoption of LTD Resolution No. 2013-010: It is hereby resolved that the Consent Calendar for March 20, 2013, is approved as presented. Mr. Dubick provided the second. The Consent Calendar consisted of the minutes of the February 20, 2013, Regular Board Meeting.

VOTE The motion approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Public Hearing: FY 2013-2023 Capital Improvement Program (CIP): Planning and Development Manager Tom Schwetz presented the draft FY 2013-2023 CIP. Mr. Schwetz said that the document had been revised to be more comprehensive and informative. Projects are categorized by tiers related to project funding. The tiers are as follows:

- Tier I - Project funding is secure and the project is ready to move forward.
- Tier II - High priority projects that are not fully funded, but funding opportunities are identified.
- Tier III - Projects are contingent upon adequate available revenue.
- Tier IV - Projects are based on an identified need, but are not fully developed and funding is not identified.

Mr. Schwetz said that LTD has the opportunity to access various state and federal funding sources throughout the year, and that being prepared with an identified set of projects would help the District be competitive.

Mr. Evans inquired how changes to federal transportation legislation would affect LTD's ability to purchase buses and make facilities improvements with federal funds. Director of Maintenance George Trauger replied that the District purchased new buses during the past year, and additional articulated buses would be grant funded. Mr. Trauger said that LTD is gradually reducing the overall age of its fleet and is well positioned to withstand changes to federal transportation legislation. Director of Finance and Information Technology Diane Hellekson added that LTD would debt finance major bus purchases in the future to avoid using increasingly scarce federal grant funds.

In response to a question from Mr. Necker, Mr. Trauger said that the life expectancy of buses is approximately 12 years, but LTD customarily receives 15-17 years of use from its vehicles.

Mr. Schwetz added that the CIP was released for public review on March 11, 2013, and public comments could be submitted through April 10. The Board is scheduled to adopt the FY 2013-2023 CIP at its April 17 meeting.

Mr. Evans opened the public hearing.

Rob Zako, Eugene, stated that he supports the planned projects. Mr. Zako said that his review of the CIP focused on the frequent transit network, and he was excited about prospects for the region once the segments were in place. He commented that it would be difficult for the general public to read the plan and to understand what was being purchased for the \$185 million budgeted for the frequent transit network. He stated that it would be helpful if more information was included regarding projects and how the diverse investments would create a good system. He encouraged LTD to clarify how the projects would be connected into a comprehensive system, including providing a map that would illustrate that connectivity.

Mr. Evans asked if anyone else wished to speak. Receiving no response, he closed the public hearing.

Public Hearing: FY 2013-2014 Fare Pricing Plan: Mr. Kilcoyne said that 2012 adult cash fares increased by 16.7 percent, and group pass rates increased by 5.8 percent. In December 2012 the Board Finance Committee directed LTD staff to not increase 10-ride ticket or monthly pass prices, and to return with a proposal to raise group pass rates in accordance with LTD's established fare policy. Mr. Kilcoyne said that the proposed rate increase of 5.7 percent is consistent with the fare policy, and expects the rate increase to result in approximately \$156,000 in additional revenue. The change will be effective January 1, 2014. Mr. Kilcoyne noted that rates with the University of Oregon have been increased consistent with the group pass proposal.

Ms. Towery asked if the District had conducted outreach to obtain feedback from agencies and organizations that would be affected by the increase. Mr. Kilcoyne responded that the District maintains regular contact with pass program participants, and there have been very few employers who have dropped out over the years. Mr. Kilcoyne said that the majority of employers who have left the program, left because employees were commuting by bicycle, or the business had closed or relocated.

In response to a question from Mr. Gillespie, Mr. Kilcoyne explained that an employer has to employ a minimum of 10 employees and purchase a group pass for all employees in order to

participate in the program. Employers purchase passes at a discount in the group pass program. Another option allows employers to purchase regular passes and to provide them at a discount to employees who ride the bus, as an alternative to purchasing discounted passes for all employees.

Mr. Evans opened the public hearing. He determined that no one wished to testify, and he closed the public hearing.

Ordinance Administrative Review and First Reading, Ordinance No. 46, An Ordinance Regarding the Excise Tax on Self-Employed Persons: Chief Accountant/Internal Auditor Carol James explained that LTD is working with its attorneys to reorganize ordinances so that they are more accessible to the public on the LTD website. Ms. James said that ordinances will now be organized within eight categories, with one encompassing ordinance in each category. Ordinance 46 and Ordinance 47 relate to the self-employment tax and employers' payroll tax, respectively. She said that the new ordinances contain updated references to Oregon Revised Statutes and clarify Internal Revenue code references and renumbered paragraphs for consistency. There are no substantive changes from previous ordinances.

MOTION Ms. Towery moved that Lane Transit District Ordinance No. 46 be read by title only. Mr. Gillespie provided the second.

VOTE The motion approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Evans read the ordinance by title only: "ORDINANCE NO. 46, AN ORDINANCE REGARDING THE EXCISE TAX ON SELF-EMPLOYED PERSONS, AND AMENDING AND RESTATING ORDINANCE NO. 38, ORDINANCE NO. 39, ORDINANCE NO. 40, AND ORDINANCE NO. 41."

Ordinance Administrative Review and First Reading Ordinance No. 47, An Ordinance Regarding the Excise Tax on Employers: Ms. James noted that background information was available in the agenda packet and that the changes to the ordinance consist of updating and clarifying references to Oregon Revised Statutes. No substantive changes were made to the ordinance.

MOTION Mr. Necker moved that Lane Transit District Ordinance No. 47 be read by title only. Ms. Reilly provided the second.

VOTE The motion approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Evans read the ordinance by title only: "ORDINANCE NO. 47, AN ORDINANCE REGARDING THE EXCISE TAX ON EMPLOYERS, AND AMENDING AND RESTATING ORDINANCE NO. 34, ORDINANCE NO. 39, AND ORDINANCE NO. 40."

Second Reading and Adoption of Ordinance No. 45, An Ordinance Providing Rules for Meetings of the Lane Transit District Board of Directors: Ms. Schapper said that the original ordinance had not been updated since 1999. The changes in Ordinance 45 reflected current practices and use of new technologies, updated Oregon Revised Statutes citations, and added language regarding canceled meetings and joint meetings. Ms. Schapper added that the Board conducted the first reading at its February Board meeting and was asked to conduct the second reading and adopt Ordinance No. 45.

MOTION Ms. Towery moved that Lane Transit District Ordinance No. 45 be read by title only. Mr. Yeh provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Evans read the ordinance by title only: "ORDINANCE NO. 45, AN ORDINANCE PROVIDING RULES FOR MEETINGS OF THE LANE TRANSIT DISTRICT BOARD OF DIRECTORS, AND AMENDING AND RESTATING ORDINANCE NO. 1."

MOTION Ms. Towery moved the following resolution: LTD Resolution No. 2013-011: Be it resolved that the LTD Board of Directors hereby adopts Lane Transit District Ordinance No. 45, an ordinance providing rules for meetings of the Lane Transit District Board of Directors, and amending and restating Ordinance No. 1. Mr. Necker provided the second.

VOTE The resolution was approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports: Mr. Dubick announced that he will be serving on the Lane Council of Governments (LCOG) Budget Committee.

Mr. Gillespie reported that the EmX Steering Committee met on March 5 at the Springfield Public Library. He encouraged LTD's general manager to consider appointing a student from the University of Oregon and a student from Lane Community College to the Committee, as many of the proposals under consideration would affect those institutions.

Ms. Towery reported that the Metropolitan Policy Committee (MPC) focused on the State Transportation Improvement Program (STIP) project selection and scenario planning process.

Mr. Dubick reported that the Lane Area Commission on Transportation (ACT) was informed that the STIP project priority list it had submitted to the Oregon Transportation Commission would be scoped out to determine if the projected costs were accurate then returned to the ACT for reprioritizing.

Mr. Gillespie reported that a tentative date of April 17, 2013, had been set for the Pension Trust meetings. He added that the Metropolitan Planning Organization Citizen Advisory Committee will meet on March 21.

Board Committee Assignments: Ms. Towery reviewed the proposed list of Board member committees and special assignments for the coming year.

Mr. Gillespie said that his understanding was that the Board president and vice president served on the Metropolitan Policy Committee (MPC). However, the list of proposed assignments reflected that Ms. Reilly and Ms. Towery would serve on the Committee, with Mr. Dubick designated as the alternate. Mr. Gillespie said that the opportunity to serve on the MPC was one of the reasons he accepted the position of Board vice president. Ms. Towery confirmed that had been the past practice, but it was not a requirement. She said that when reviewing Board members' workloads, she considered the number of assignments each member had committed to and made an effort to distribute opportunities to new Board members.

Mr. Dubick offered to remove his name as alternate in order to allow Mr. Gillespie the opportunity to fill the MPC alternate position. Mr. Gillespie agreed to serve as MPC alternate and thanked Mr. Dubick.

Monthly Financial Report - February 2013: Ms. Hellekson reported that it was two-thirds into the fiscal year, revenues were as anticipated, and expenditures were under control. She said that fuel prices were still volatile, but the District's average for the year was still below the \$3.75/gallon budgeted. Ms. Hellekson said that she expected LTD to finish the fiscal year under budget in that area. She added that while ridership on EmX had increased, the rolling 12-month ridership data showed an overall decline.

Mr. Kilcoyne offered that a significant decrease in ridership in February prompted the formation of a task force composed of staff from the Planning, Finance, and Information Technology departments to conduct an in-depth analysis to determine the cause of the decrease and to identify ways to improve ridership numbers. Mr. Kilcoyne noted that other districts in the state were reporting similar losses for a variety of reasons.

Mr. Gillespie observed that people who work in the downtown area typically leave work on the hour and the half-hour, and that buses tend to run on schedules of ten minutes and 40 minutes after the hour. This often results in lengthy delays if someone misses their bus. Mr. Gillespie surmised that more people would ride the bus if not faced with a long wait.

Ms. Hellekson said that the revised Long-Range Financial Plan will be presented to the Board at its April meeting. She said that after the Plan is approved, the first year of the Plan would be the template for the proposed budget that the Board would receive in May 2013.

Mr. Evans commended Ms. Hellekson and the Finance staff for their clear, concise, and transparent work.

RECESS: Mr. Evans called a recess at 6:30 p.m.

RECONVENE: Mr. Evans reconvened the meeting at 6:48 p.m

MOTION EXECUTIVE (NON-PUBLIC) SESSION PURSUANT TO ORS 192.660(2)(i): Mr. Necker moved that the Board meet in executive session pursuant to ORS 192.660(2)(i), to review and evaluate the employment-related performance of the LTD general manager. Ms. Reilly provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Evans, Gillespie, Necker, Reilly, Towery, Yeh (7)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

The Board entered executive session at 6:48 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:05 p.m.

ADJOURNMENT: Mr. Evans adjourned the meeting at 8:05 p.m.

LANE TRANSIT DISTRICT

ATTEST:



Michael Dubick
Board Secretary

Jeanne Schapper
Clerk of the Board