

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, April 16, 2014

Pursuant to notice given to *The Register-Guard* for publication on April 13, 2014, 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, April 16, 2014, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

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

CALL TO ORDER/ROLL CALL: Ms. Towery convened the meeting of the Lane Transit District (LTD) to order and called the roll at 5:35 p.m.

PRELIMINARY REMARKS BY BOARD PRESIDENT: None.

COMMENTS FROM THE GENERAL MANAGER: Mr. Kilcoyne announced that the month of February 2014 had been free of preventable accidents, despite severe weather conditions. He announced that LTD's two applications for ConnectOregon V funds had been unanimously ranked first and second by the Lane Area Commission on Transportation (LaneACT) in its list of priorities. He said that staff had been examining the drop in ridership experienced during the past nine months, and it appeared that lower enrollments at Lane Community College (LCC) was a major factor. He noted that in March 2014, weekday ridership was lower than the previous year but weekend boardings were higher. He added that members of the EmX Steering Committee would be surveyed to determine what direction the Committee should take as the West Eugene EmX Extension moved into the next phase and planning for other projects began.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA: None.

BOARD CALENDARS: Mr. Kilcoyne reviewed activities planned for the month of May 2014. He noted that a May 12 special meeting was likely, and it was possible that the May 21 regular meeting would be canceled. The May 21 Budget Committee Meeting, however, would be held at 6:00 p.m., regardless.

EMPLOYEE OF THE MONTH - MAY 2014: The Board recognized Bus Operator Mike Funderburk as the May Employee of the Month.

Ms. Towery thanked Mr. Funderburk for his service and dedication to LTD's mission. She presented him with a certificate of appreciation, a check, and a pin commemorating his award. Mr. Funderburk thanked the Board for the award and expressed his appreciation for the recognition.

AUDIENCE PARTICIPATION: Ms. Towery explained the procedures for providing public testimony.

Bob Macherione, Eugene, representing Our Money, Our Transit (OMOT), observed that while it was the Board's policy to not spend reserves below \$3 million, in years 2017-2019, the Long-Range Financial Plan (LRFP) showed reserves at \$2.5 million. He questioned why the Board would approve that level of spending. He said that when the Gateway EmX line was opened, basic service was cut. He said that the District was losing ridership, over-servicing some areas, under-servicing others, and basic service should be protected. He did not hear those issues addressed by the Board. He expressed doubt that other sources of revenue for transit would become available, and costs were increasing. The Board should pay attention to spending.

Josef Siekiel-Zdzienicki, Eugene, addressed the impact of declining LCC enrollments on LTD's ridership. He asked what the current percentage of student riders was and if ridership by the general public had declined as well. He suggested that the Board be provided with that information. Regarding the new transit station proposed in Glenwood, he felt that the developer of the hotel/convention center that was planned for that area should pay the costs of the station, rather than seeking grant funds. He objected to the use of public funds to benefit a for-profit enterprise.

Rob Zako, representing Better Eugene-Springfield Transit, referred to a presentation by Gil Penalosa, 8-80 Cities advocate, about the importance of transportation choices. He said that the Business Commute Challenge in May was a local initiative to promote the use of a variety of transportation modes. He encouraged Board members, as community leaders, to participate in the challenge.

ITEMS FOR ACTION AT THIS MEETING:

MOTION **Consent Calendar:** Mr. Yeh moved adoption of LTD Resolution No. 2014-008: It is hereby resolved that the Consent Calendar for April 16, 2014, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the Minutes of the March 19, 2014, Regular Board Meeting.

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

Minutes of the February 19, 2014, Regular Board Meeting: Ms. Towery clarified that the February 19, 2014, Regular Board Meeting Minutes had been pulled from the March 19, 2014, Consent Calendar at the request of a Board member who wished to change his vote on an Action Item. Further discussion and resolution regarding the February 19 minutes were postponed to the

April 16 meeting in order to determine proper protocol for changing a vote after the conclusion of a Board meeting. She said that staff had researched the matter, and according to *Robert's Rules of Order*, the vote would stand as previously recorded in the minutes.

MOTION Mr. Necker moved adoption of LTD Resolution No. 2014-009: It is hereby resolved that the minutes for the February 19, 2014, Board meeting are approved as presented. Mr. Wildish provided the second.

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

Annual Route Review: Fiscal Year 2014-15 Service Proposal: Director of Customer Services and Planning Andy Vobora said that the Board had held two public hearings and staff had conducted extensive public outreach on the proposal. Staff recommended adoption of the FY 2014-15 service package as provided in the agenda materials. He noted that discussions were in progress with Dale Weigandt, River Road Park and Recreation District Superintendent, about options for Emerald Park service. He added that River Road Park and Recreation had a different structure for using their vehicles than Willamalane Parks and Recreation, so it would be more challenging to find a solution.

MOTION Ms. Grossman moved the following resolution: LTD Resolution No. 2014-010: It is hereby resolved that the LTD Board of Directors approves the Fiscal Year 2014-15 service recommendations as presented at the April 16, 2014, Board meeting. Mr. Yeh provided the second.

Mr. Gillespie asked if it would be necessary to amend the service package once a solution for Emerald Park had been identified. Mr. Vobora said that the amount involved would be small and could be addressed through administrative action. Mr. Kilcoyne concurred.

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

Fiscal Year 2014-15 Pricing Plan and First Reading Amended Fare Ordinance No. 49, An Ordinance Setting Fares for Use of District Services: Mr. Vobora said that the plan represented a small adjustment in monthly pass prices and a standard adjustment in group pass prices. He said that little public comment had been received, perhaps due to LTD's policy of implementing changes in small increments. He added that there had been no adjustment since 2010.

Mr. Necker asked if the decline in LCC student riders affected revenue from group passes. Mr. Vobora said that it did, and he added that staff were beginning to aggressively market the group pass program to businesses.

Ms. Towery said that she anticipated that commercial and industrial development in the Coburg area would increase the group pass program. Mr. Vobora agreed and said that staff also had begun discussions with the Lane Livability Consortium about expanding residential-based group pass programs. He felt it could be a successful model.

Ms. Grossman asked if there were other types of group pass programs and if it was possible to have a group pass for a destination such as the YMCA. Mr. Vobora said that other types included neighborhood passes, but those were more challenging to implement than one based on a residential facility. He said that LTD had attempted a pass program with a local organization, but the pricing model broke down quickly when people realized they could get an inexpensive transit pass by claiming membership. He said that some employers, such as PeaceHealth, purchased passes at almost full price.

Mr. Kilcoyne said that the low cost of a group pass program was based on the concept of revenue neutrality and assumed a percentage of non-use.

Mr. Gillespie said that he hoped that funding could be secured to restore the student bus pass program. Mr. Vobora said that LTD was still seeking sustainable local funding. Government Relations Manager Edward McGlone added that discussions with the legislature about a sustainable source of funding for student passes also were being held.

Ms. Towery said that the pilot project at Hamlin Middle School should be used to demonstrate how the student pass program could help improve academic and attendance outcomes.

Ms. Grossman suggested collaborating with the Lane Coalition for Healthy Active Youth to advocate for student pass programs.

MOTION Mr. Yeh moved that Ordinance No. 49 be read by title only. Mr. Gillespie provided the second.

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

Mr. Vobora read the ordinance title: ***Ordinance No. 49, an Ordinance Setting Fares for Use of District Services.***

Fiscal Year 2015-2024 Capital Improvements Program: Finance Manager Todd Lipkin said that the Fiscal Year 2015-2024 Capital Improvements Program (CIP) had been available for public review through April 13, 2014, and a public hearing was held at the Board's March 19, 2014, meeting. He that said the only comment received was the one heard during the public hearing.

In response to a question from Mr. Wildish, Mr. Lipkin explained that the first column of dollar amounts on Page 9 of the CIP was the current fiscal year estimate and provided as a reference; it was not included in the totals for FY 2015-2024, which represented the CIP being presented for approval.

Mr. Wildish asked what percentage of boardings occurred in the frequent transit network. Mr. Kilcoyne said that EmX generated about 25 percent of boardings, and staff could provide statistics for the other routes included in the network.

Mr. Wildish noted that the cost of converting an existing bus to no emissions was high and asked how that compared to the purchase of a new vehicle. Mr. Lipkin said that it cost \$600,000 to purchase a new hybrid-electric bus; the cost was about the same to convert an existing vehicle to no emissions with a 12-year life. He said that the cost of a new all electric vehicle was \$2 million. He said that LTD was applying for grant funds for the conversions and would not go forward with the project if funds were not awarded. Mr. Lipkin said that the Federal Transit Administration was promoting the use of no emission technology and had made \$24 million available nationally for conversions.

MOTION Mr. Yeh moved the following resolution: LTD Resolution No. 2014-011: It is hereby resolved that the Fiscal Year 2015-2024 Capital Improvements Program is approved as presented. Mr. Gillespie provided the second.

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

Mr. Lipkin remarked that the CIP was a rolling document; it was updated annually and more frequently as needed. He said that staff were working to improve the structure of the document so that it was more accessible, and he welcomed comments and suggestions from Board members.

Fiscal Year 2015-2024 Long-Range Financial Plan: Mr. Lipkin stated that the first year of the Long-Range Financial Plan (LRFP) formed the basis for the budget to be presented to the Board at its May 2014 meeting. He noted that reserves remained above the Board-mandated level of \$3 million until 2017, which is the seventh year of the plan. The outlying years of the plan were so variable and subject to revision that staff allowed for some deviation below the \$3 million level, knowing that adjustments would be made as needed to assure that the Board goal was met.

Mr. Lipkin said that all of the assumptions in the LRFP were the same as those discussed during the Board's strategic work session, with the exception of a slight increase in preventive maintenance dollars and a slight decrease in the current year transfer to the Accessible Services Fund.

MOTION Mr. Wildish moved the following resolution: LTD Resolution No. 2014-012: Resolved, that the LTD Board of Directors approves the FY 2015-2024 Long-Range Financial Plan as presented. Mr. Dubick provided the second.

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

ITEMS FOR INFORMATION AT THIS MEETING:

Board Member Reports: Mr. Necker noted that the Accessible Transportation Committee's April meeting had been canceled.

Transportation for America: Mr. Kilcoyne introduced Chris Rall, the Pacific Northwest representative for Transportation for America (T4A).

Mr. Rall said that T4A was an alliance of business, civic, and elected leaders united to advocate for investment in innovative transportation solutions to support strong local economies. He said that the biggest crisis related to transportation was the precarious condition of the federal Highway Trust Fund, which, without congressional action, would be unable to fund projects in Fiscal Year 2015. Reasons for this crisis included no federal gas tax increase since 1993, more efficient vehicles, less driving, and inflation.

Mr. Rall said that Oregon was slated to receive \$487 million in federal highway funds in 2014, with an additional \$97 million in transit funding. He said that LTD received \$6 million in federal formula funds annually, with a total of about \$11 million in federal highway and transit funds coming to the region annually. If Congress did not act and those were no longer available, the impacts would be draconian.

Mr. Rall distributed a T4A handout titled *Saving the Nation's Transportation Fund*. He said that T4A was proposing solutions to the funding crisis to create a robust federal program and strategies for directing more funds to local transportation projects. The goal was to raise \$30 billion annually, and the menu of options included:

- Increase the federal gas tax by \$0.17 per gallon
- Replace the existing per-gallon tax with a sales tax of 11 percent
- Introduce a fee of \$4.00 on each barrel of oil
- Add a sales tax of 5.5 percent to fuel purchases
- Index the gas tax to construction costs and raise one of the above taxes/fees a lesser amount

Mr. Rall acknowledged that there would be an increased cost to individuals, but T4A estimated it would be approximately the cost of a coffee and pastry per week. He said that the intent of the proposal was to increase formula funds in order to repair and maintain current infrastructure and make investments to become more economically competitive. Mr. Rall noted that the New Starts program was not part of the dedicated federal transportation funds; it was appropriated annually from the General Fund, and T4A hoped to see it become a more stable and secure program. He said that T4A also was interested in options for directing more funds to projects at the local jurisdiction level, such as a program similar to TIGER grants.

Mr. Rall said that T4A was asking agencies, businesses, and metropolitan planning organizations around the country to support the proposal and communicate that support to congressional representatives. He had made that request to the Metropolitan Policy Committee (MPC) at a recent Committee meeting. He requested that the LTD Board encourage the MPC to endorse the proposal, and he distributed a handout titled *Connect Your Community* to the Board. He introduced the benefits of becoming a dues-paying member of T4A to the Board, including workshops, information sharing, best practices, and technical support. He said that the cost of a membership for LTD would be approximately \$1,400 annually.

Mr. Wildish said that many things had changed since the transportation funding structure was established; and changes in driving habits, more efficient vehicles, and other factors made that structure no longer sustainable.

Scenario Planning Update: Planning and Development Manager Tom Schwetz introduced Brenda Wilson, Executive Director of Lane Council of Governments (LCOG). He said that the region's scenario planning efforts were prompted by legislative action in 2009, which required the development of scenarios and a cooperatively selected preferred scenario that would aim to achieve state goals for reducing greenhouse gas (GHG) emissions.

Mr. Schwetz said that the first step of establishing a baseline, or reference, scenario had been completed, and work had begun on developing alternative scenarios and evaluating and comparing them. Strategies would be tailored to individual jurisdictions. He reviewed the cooperative selections process, which would include the Lane County Board of Commissioners and the city councils of Eugene, Springfield, and Coburg. LTD's Board of Directors would be asked to provide advice on the feasibility of transit strategies within each scenario.

Mr. Schwetz said that the GreenSTEP model, developed by the Oregon Department of Transportation (ODOT), was used to determine the outcomes of various plans currently in place, with a focus on GHG emissions reduction. He reviewed the outcomes of current plans and said that alternative scenarios would mix various policy bundles at different levels to see what different outcomes could be achieved. He said that scenarios would be refined and a preferred scenario selected during the summer and fall of 2014, with a report due to the legislature in January 2015.

In response to questions from Mr. Yeh and Ms. Grossman, Mr. Schwetz said that one reason for the projection of more miles driven was likely based on population and employment growth in the area. He said that road policies related to road construction and development, while community design policies related to land use.

Full Membership with the Lane Council of Governments (LCOG): Mr. Schwetz said that LCOG was established in 1945 and has a provision in its Board's charter that membership is limited to representation from elected bodies within Lane County. LTD has held a non-voting position on the LCOG Board since 2007; however, there are no statutory prohibitions on LTD's membership. The issue at hand is whether or not LTD had an interest in LCOG amending its charter in order for LTD to become a voting member. He said that dues would be approximately \$14,000 annually. Mr. Schwetz said that the agenda materials listed some of the benefits of membership and pointed out that it would also provide LTD with more direct access to, and participation in, a healthy regional process.

Ms. Wilson stated that there were currently 32 voting members on the LCOG Board. She said that a major advantage was the ability to vote on those policy issues that impacted the entire region, such as the LCOG Board decision to establish the MPC as the regional entity to make policy decisions with federal and state transportation dollars. She said that in order to allow LTD a voting membership, it would be necessary to revise the charter; although if the LCOG Board took that step, it did not obligate LTD to move forward with full voting membership.

Mr. Dubick commented that it was frustrating during his tenure as LTD's representative on the LCOG Board to be unable to cast a vote on issues, knowing there were many strong connections between LTD and LCOG in terms of providing services within the region. He felt that LTD labored somewhat under a bias against non-elected boards but should have a voice in regional matters.

Mr. Yeh said that as the current LTD representative to the LCOG Board, he had some interest in the District becoming a voting member, but he questioned whether or not the membership was worth the cost.

Ms. Towery asked if LCOG Board members were supportive of LTD becoming a voting member. Ms. Wilson said that some members did not feel that LTD should be a full voting member because its Board was appointed and not elected. She said that the LCOG Board was scheduled to take up the matter at its April 24 meeting unless she had an indication from LTD that it was not interested in full voting membership.

In response to a question from Mr. Necker, Ms. Wilson said that because LTD was a non-voting member, its representative could not be an officer or serve on the Executive Committee, which was an advisory committee that made policy recommendations to the full Board. She mentioned that one vote could make a difference on close policy decisions. She added that LTD was a long-time regional partner with LCOG and many of the other Board members.

Ms. Towery said that the cost of annual dues would need to be considered, but she recognized the value of full membership. She agreed with Mr. Dubick that there was a bias against appointed Boards, yet members of those governing bodies gave the same amount of effort, time, and consideration to their responsibilities as did members of elected boards. She supported moving forward with LCOG membership and having an equal place at the table with regional partners.

Mr. Necker also supported pursuing voting membership.

Mr. Gillespie pointed out that LTD was a voting member of the MPC.

Mr. Wildish said that LTD had an influence on the lives of many individuals, and its boundaries were much larger than many of the other members of LCOG. He supported being a voting member.

Ms. Grossman also supported full LCOG membership and agreed with Mr. Wildish about the reach of LTD's decisions.

Mr. Yeh said that he struggled with whether or not there were enough decisions made at LCOG Board meetings that LTD needed to vote on to justify the cost of full membership. He was willing to voice LTD's position at LCOG, whether or not he was able to vote.

Ms. Wilson listed the numerous services that LCOG provided in the region in addition to transportation and land use planning, such as Metro Television, water and air quality monitoring, telecommunication, broadband, address scrubbing, senior and disabled services, adult protective services, Meals on Wheels, Medicaid and food stamp eligibility determinations, and transportation to eligible individuals. She added that the LCOG Board made the guiding decisions regarding all of these services.

Ms. Grossman shared the concern about whether or not the gap between being a non-voting and voting member was worth \$14,000.

Mr. Dubick maintained that he felt somewhat constrained during policy discussions as an ex officio member of the LCOG Board. He said that LTD lacked a certain credibility if it was unable to vote.

Mr. Gillespie agreed that as an ex officio member, LTD could have some influence but not a final say on regional policy matters. He also was concerned as to whether or not it was worth \$14,000 to be able to vote. He asked if there were annual increases in LCOG dues. Ms. Wilson replied that the LCOG Board voted every December on a dues schedule for the coming fiscal year. She stressed that if the LCOG Board agreed to allow LTD to become a voting member, LTD would

then need to decide if it wished to do so; LTD also could decide to withdraw from membership in the future.

Mr. Dubick asked for a listing of all of LTD's memberships; the annual costs; and, to the extent possible, the benefits received from those memberships.

Ms. Towery said that there were other significant benefits derived from LTD's partnership with LCOG, such as senior and disabled services and the transportation brokerage. She hoped to see a list of those types of benefits provided to the Board as it considered LCOG membership.

Mr. Schwetz emphasized that the Board was being asked to take a speculative action. He said that some factors to consider were the alignment between LTD and LCOG interest, LTD's image as a good regional partner, and the value of fully participating in LCOG's Board in a way that was transformative. He thought that a one-year membership might not be a good test as it took some time to become part of a group and establish a role as a strong regional partner.

Mr. Necker said that as a member of the Senior and Disabled Services Advisory Council, he saw many ways that LCOG and LTD benefited from their partnership and connections and could see value in full membership.

Ms. Towery summarized that there was general support on the LTD Board for pursuing full LCOG membership, although there were still questions and concerns that would need to be addressed.

Monthly Financial Report - March 2014: Mr. Lipkin said that all financial indicators looked good; payroll taxes were up 8.2 percent over the same time last year, and state-in-lieu was up 7.5 percent. He said that costs were under control and below 75 percent at the nine-month point in the budget. He said that total revenue was slightly below projections, but some preventative maintenance funds had not yet been recorded. He expected to be very close to budget by the end of the fiscal year.

Monthly Performance Reports: In response to a question from Mr. Gillespie, Mr. Lipkin explained that the productivity report data referred to rides per hour.

ADJOURNMENT: Ms. Towery adjourned the meeting at 7:37 p.m.

LANE TRANSIT DISTRICT

ATTEST:

Michael Dubick
Board Secretary

Jeanne Schapper
Clerk of the Board