

Public notice was given to The Register-Guard for publication on May 16, 1985.

LANE TRANSIT DISTRICT
REGULAR BOARD MEETING

May 21, 1985

7:30 p.m.

McNutt Room,
Eugene City Hall

A G E N D A

- I. CALL TO ORDER

- II. ROLL CALL
Parducci_____ Pusateri_____ Brandt_____ Calvert_____
Eberly_____ Nichols_____

- III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

- IV. AUDIENCE PARTICIPATION

- V. EMPLOYEE OF THE MONTH

- VI. PUBLIC HEARING ON CHARTER RATES

- VII. ITEMS FOR ACTION AT THIS MEETING
Approval of Minutes

- VIII. ITEMS FOR INFORMATION AT THIS MEETING
 - A. Current Activities
 - 1. Marketing Presentation on Totally Transit Promotion
 - 2. Insurance Coverage for Board of Directors
 - 3. Update on 10th and Olive Project



4. Update on Labor Negotiations
5. Board Letter Regarding State Funding for Higher Education
6. Charter Service

B. Monthly Financial Reporting

IX. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

- A. Payroll Tax Ordinance
- B. Budget Transfer
- C. Grant Application for Section 9 and 3 Capital Funds
- D. Selection of Architect for New Facility
- E. Adoption of TransPlan

X. ADJOURNMENT

AGENDA NOTES

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V. EMPLOYEE OF THE MONTH: The May Employee of the Month, Gary Taylor, will be present to receive his check and certificate and to be introduced to the Board.

VI. PUBLIC HEARING ON CHARTER RATES

In compliance with Federal regulations, a public hearing will be held to obtain public comment on the District's charter service. Included in the agenda packet is an informational memo on this subject. No Board action is necessary at this time. Legal notice of a public hearing was published in The Register-Guard on April 21.

1. Staff Introduction of Item
2. Opening of Public Hearing by Board President
3. Public Testimony
4. Board Questions
5. Closure of Public Hearing
6. Board Discussion

VII. ITEMS FOR ACTION AT THIS MEETING

Approval of Minutes: The minutes of the April 16, 1985 regular meeting, the May 7, 1985 adjourned meeting, and the May 14, 1985 adjourned meeting are included in the agenda packet for Board review and approval.

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VIII. ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

1. Marketing Presentation on Totally Transit: Carla Chambers, Marketing Representative, will be present at the meeting to show the Board various promotional materials and to discuss this year's Totally Transit promotion.
2. Insurance Coverage for Board of Directors: Included in the agenda packet is a memo from the Director of Administrative Services which answers some questions about insurance coverage for Board members which were asked at a recent Board meeting.

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3. Update on 10th and Olive Project: City of Eugene and LTD staff are reviewing alternative designs for the 10th and Olive site. Progress is being made and a recommended solution should be forthcoming within four to six weeks.
 4. Update on Labor Negotiations/Call for Executive Session: To date, two negotiating sessions have been held, with a third scheduled for the first week in June. Staff recommend that the Board adjourn this meeting to a date prior to the next negotiating session in order to conduct an Executive Session pursuant to ORS 192.660(1)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations.
 5. Board Letter Regarding State Funding for Higher Education: Included in the packet is a letter to Oregon legislators regarding the importance to the community of fully funding the Oregon State System of Higher Education budget. At its May 14 meeting, the Board directed staff to draft a letter on this issue for the Board President's signature. A list of legislators to whom the letter was sent is attached. 25
 6. Charter Service: A staff memo in the agenda packet discusses the District's charter services, the federal guidelines which LTD must follow in offering charter service, and the District's charter rates and revenues. LTD's charter rates are scheduled to increase from \$35 to \$40 per charter hour on July 1, 1985. 27
- B. Monthly Financial Reporting: Included in the agenda packet are financial statements for April, 1985.
1. Comparison of Budgeted and Actual Revenues and Expenditures
 - a. General Fund 29
 - b. Capital Projects Fund 30
 - c. Risk Management Fund 31
 2. Comparison of Year-to-Date Actual Revenues and Expenditures to Budgeted (General Fund) 32

IX. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

- A. Payroll Tax Ordinance: Ordinance No. 28 reduced the payroll tax to .005 for the period April 1, 1984 through March 31, 1985. Unless the Board takes action before July 1 to set the rate at a different level, the payroll tax rate will automatically increase to its previous level of .006 as of April 1, 1985. As part of the budget adoption process, an ordinance to set the payroll tax rate will be on the agenda for the June 18 regular Board meeting.
- B. Budget Transfer: Budget transfers necessary for the balance of the fiscal year are typically presented to the Board for approval at this time of the year. It is anticipated that such budget transfers will be placed on the agenda for the June 18 meeting.
- C. Grant Application for Section 9 and 3 Capital Funds: In accordance with direction given at the May 14 meeting, staff are preparing an application for UMTA Section 9 and Section 3 grant moneys for capital projects. The application will be on the agenda for the June 18 regular meeting.
- D. Selection of Architect for New Facility: If the Board and Budget Committee decide to go ahead with the new bus maintenance facility project, one of the first steps to be taken will be the selection of an architect. Staff are beginning to formulate an evaluation and selection process, and will keep the Board apprised of progress made in this area.
- E. Adoption of TransPlan: A draft of TransPlan, the updated long-range transportation plan, should be available for Board review at the July Board meeting. Final adoption of the Plan is anticipated for Fall, 1985.

X. ADJOURNMENT

To a given date, place, and time, for the purpose of conducting an Executive Session pursuant to ORS 192.660(1)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

April 16, 1985

Pursuant to notice given to The Register-Guard for publication on April 11, 1985 and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held on Tuesday, April 16, 1985 at 7:30 p.m. in the Eugene City Hall.

Present: Janet Calvert, President, presiding
Janice Eberly, Vice President
Joyce Nichols
Larry Parducci, Secretary
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

News Media Representative:
Jim Boyd, The Register-Guard

Absent: Peter Brandt, Treasurer
Gus Pusateri

INTRODUCTORY REMARKS BY BOARD PRESIDENT: After calling the meeting to order at 7:34 p.m. and calling roll, Ms. Calvert stated that it was hoped that this would be a short meeting, since the Budget Committee was scheduled to meet at 8:00 p.m. However, if any issues on the agenda led to lengthy discussions, the Board would have to consider adjourning the meeting until after the budget meeting.

AUDIENCE PARTICIPATION: There was no comment from any member of the audience at this time.

EMPLOYEE OF THE MONTH: Ms. Calvert told the members of the audience and the Budget Committee members who were present that this time of each meeting was a fun time for the Board because it was when they honored that month's Employee of the Month. She introduced Loyal Heath, who had been a bus operator for almost 11 years, including five years spent driving Dial-A-Bus. Mr. Heath has an excellent attendance record and has earned his 10-year safe driving award. He was nominated for Employee of the Month by a patron. After mentioning some of his outside activities and reporting that Mr. Heath had become a new grandfather on the day he learned of his award as Employee of the Month, Ms. Calvert presented him with his certificate and check. Mr. Heath talked about his granddaughter, introduced his wife, and thanked the Board, stating that he appreciated the award very much.

PUBLIC HEARING ON CHARTER RATES: Ms. Calvert stated that the actual decision on increasing charter rates would be postponed until the May 21 Board meeting. However, since a public hearing had been advertised for that evening, the hearing would be held. Further explanation of the proposed increase will be available for discussion and another public hearing will be held at the May 21 meeting.

Ms. Calvert opened the public hearing on charter rates. Hearing no testimony from any member of the audience, she closed the public hearing.

APPROVAL OF MINUTES: Ms. Eberly moved that the minutes of the February 19, 1985 regular Board meeting, the February 26, 1985 adjourned work session, and the March 12, 1985 adjourned meeting be approved as submitted to the Board. Mr. Parducci seconded, and the motion carried unanimously.

OREGON COUNTRY FAIR REQUEST FOR SERVICE: Ms. Calvert called the Board's attention to the materials on this issue, beginning on page 36 of the agenda packet. Ms. Loobey stated that representatives of the Oregon Country Fair were present to explain their request and answer questions. She explained that LTD has been providing service to the Oregon Country Fair for the past five or six years and, in the opinion of staff, it is a primary example of a transit application. By carrying 12,000 riders within the few days of the fair, the charter service had been able to reduce what would otherwise have been an intolerable traffic situation on West 11th and Route F. The service is seen as an issue of traffic safety and service to the patrons, as well. Ms. Loobey stated that LTD staff would continue to work collaboratively with the Oregon Country Fair in the future, but were bringing this issue to the Board because it was different than in the past.

In past years, she said, the Oregon Country Fair has chartered service at full charter rates. This time, however, the Fair Board was proposing to fashion the service somewhat like the Lane County Fair service, with free fares system-wide, for which they would replace lost farebox revenues which are anticipated to be \$4,814. In addition, they would like the District to share in the cost of chartering the same amount of service to the Fair as last year. They proposed to pay the current goal of LTD's farebox-to-operating cost ratio of 30%, for \$4,044. The District would pay the remaining cost of \$9,436. Ms. Loobey stated that similar arrangements have been made in the past with the Lane County Fair Board for fair service, and downtown and Fifth Avenue area merchants for the Christmas JOYRIDE two years ago.

Marshall Landman, of the Oregon Country Fair Board of Directors, spoke next. He stated that for many years the Fair Board had wanted to offer, in cooperation with LTD, free service system-wide during the fair, but had never felt it to be financially feasible. This year, however, they were hoping to do so. The Fair Board, he said, recognized the contribution LTD would be making in offering special service to the Fair, but saw a lot of benefits to the community and LTD. One benefit would be

the lessening of congestion in Elmira and Veneta, as well as the safer passage of Fair goers on buses. He mentioned the impact on downtown of Fair goers parking downtown and taking the bus, and thought it was counterproductive to the goals transit was trying to offer in the community.

Mr. Landman said the benefits to the OCF and LTD would fall mainly within the promotional aspects. In the past, the Oregon Country Fair has dedicated space in its advertising to promote transit. This year, the advertising budget is \$5,000, and they are anticipating that 75 media outlets will purchase advertising. He also mentioned the large amount of public service advertising the Fair receives, largely because it is a tax-exempt organization. If their proposal was accepted as outlined, he said, they would further highlight the role of LTD in offering both types of service.

Mr. Landman further stated that after 17 years, the Oregon Country Fair has become an established event and is trying to attract a broad cross section of the community. He introduced Barbara Stern, who is in charge of the public relations and media budgets for the Fair, and who would work closely with LTD. He added that the Oregon Country Fair wants to be part of the Totally Transit promotion and to purchase exterior advertising on the buses.

Ms. Eberly asked how many years the Fair had chartered transit. LTD has provided the charter service for five years. Mr. Landman stated that one year the Fair tried another bus service but was happier with its relationship with LTD. In response to questions from Board members, Mr. Landman stated that the Fair did not charge patrons for riding the charter service to the Fair, and that the Fair spent approximately \$12,800 on charter service last year. He said that they had been monitoring the load on the buses, and were sensitive to whether more buses or modified projections were needed to accommodate the ridership. The Oregon Country Fair Board, he said, felt that if their proposal was approved, they would see more ridership to the Fair, which would give them the flexibility to go over the projected \$4,000 to add more service to the Fair.

Ms. Nichols asked about the issue of downtown parking and if alternatives had been discussed with City staff. Ed Bergeron, Marketing Administrator, replied that alternatives had not been used in the past, but that the use of the River Road Transit Station was being explored as an additional park and ride location for this year. Ms. Eberly wondered about having the special service leave from somewhere other than downtown. Ed Bergeron, Marketing Administrator, stated that River Road Transit Station would be used as a supplement to downtown because downtown is the main focus of the transit system. However, staff have learned during past special shuttles that River Road is the most popular park and ride location, and could take some of the parking load off the downtown area. Ms. Nichols asked about using Autzen Stadium for parking and only allowing people on the Fair buses downtown with a valid transfer from another route.

Mark Pangborn, Director of Administrative Services, stated that Ms. Calvert had asked earlier for comparison figures on the cost of similar services provided in the past. For the free football shuttle provided for UO Homecoming last Fall, the operational costs were \$1,650 for one day of service, approximately 2,000 rides. In 1983, the Christmas JOYRIDE was a promotion which downtown and 5th Avenue area merchants subsidized in order to run the service free to patrons. The cost of the JOYRIDE was \$10,000, with a subsidy of \$2,800. Eleven thousand rides were taken. The farebox-to-operating cost ratio was 28%.

For this year's six-day Lane County Fair service, the total cost was \$23,700. LTD received a subsidy from the Lane County Fair Board for \$14,000, which resulted in a total cost to LTD of \$9,700. This service involved offering free rides system-wide. Mr. Bergeron stated that 130,000 people rode system-wide during those six days, which is two and one-half times the normal ridership. Six thousand rides daily were taken between downtown and the fair site itself, with other routes passing the fairgrounds and giving the people the opportunity to deboard there, as well.

In 1984, LTD began a downtown shuttle as a regular route, and the 1984 Christmas shuttle service was not subsidized by merchants. The promotional JOYRIDE in 1983 had turned out to be a good idea which led to the addition of a regular downtown shuttle route when new service was implemented last September.

Ms. Nelson stated her dilemma with being new to the Board and unsure of policy decisions involved in approving the JOYRIDE and Lane County Fair service. She said she was also not sure of the benefits to the District besides getting people to try the service. Ms. Eberly mentioned her concern with how authorizing such service for the Oregon Country Fair this year would fit in with future events and charter or promotional opportunities. She recommended that the Board needed to discuss this issue further. Ms. Eberly wondered if there was a timeline constraint for the issue. Ms. Loobey replied that there were some constraints for advertising and service planning.

ADJOURNMENT: At 8:00 p.m., Ms. Nelson moved that the meeting be adjourned to 9:30 p.m. that evening, following the Budget Committee meeting. The motion was seconded by Ms. Eberly, and carried by unanimous vote.

MEETING RECONVENED: Following the Budget Committee meeting, the Board reconvened at 10:05 p.m. Ms. Calvert asked for the Board's permission to move to other items for action on the agenda before finishing the discussion on the Oregon Country Fair proposal.

PUBLIC BIDDING AND CONTRACTING RULES: Ms. Eberly moved, seconded by Ms. Nichols, that the Board adopt the public bidding rules included in the

agenda packet, beginning on page 44. With no further discussion, the motion carried by unanimous vote.

ORDINANCE NO. 27, AMENDING ORDINANCE NO. 26, ESTABLISHING THE LTD BOARD OF DIRECTORS AS THE DISTRICT'S PUBLIC CONTRACT REVIEW BOARD: Ms. Eberly moved that the Board read Ordinance No. 27 by title only. After seconding, the motion carried unanimously, and the title of Ordinance No. 27 was read aloud. Copies of the ordinance were available for members of the audience.

Ms. Eberly then moved that the Board adopt Ordinance No. 27 with the emergency clause, in order to immediately adopt operating rules to allow the LTD Contract Review Board (CRB) to function. Ms. Nichols seconded, and the motion passed by unanimous vote.

ADJOURNMENT: Ms. Eberly moved that the Board adjourn in order to convene a session of the LTD Contract Review Board. Ms. Nichols seconded the motion, which then passed unanimously.

LTD CONTRACT REVIEW BOARD SESSION TO ADOPT CONTRACT REVIEW BOARD RULES: Ms. Eberly moved that the LTD Contract Review Board adopt the resolution adopting the rules of the LTD Contract Review Board, beginning on page 81 of the agenda packet. After seconding by Ms. Nelson, the motion carried by unanimous vote.

MEETING RECONVENED: Ms. Nelson moved that the LTD Contract Review Board be adjourned and the LTD Board of Directors meeting be reconvened. The motion was seconded and passed unanimously.

BUDGET TRANSFER: Ms. Calvert passed out a handout from staff which detailed the proposed budget transfers. Ms. Rivenburg explained that it was necessary to transfer money to cover some costs for the Totally Transfer promotion and for tires and painting in Maintenance (\$18,000 to Marketing & Planning--Materials and Supplies; \$9,000 to Maintenance--Materials and Supplies; and \$10,000 to Maintenance, Contractual Services). Money was available in Administration--Contractual Services (\$7,000); Marketing & Planning--Contractual Services (\$11,000); and Maintenance--Personal Services (\$19,000) to cover the expenditures, for an aggregate amount of \$37,000.

Mr. Parducci moved that the Board make the budget transfers as outlined. Ms. Nichols seconded, and the motion carried unanimously.

OREGON COUNTRY FAIR REQUEST FOR SERVICE, Continued:

Ms. Nichols stated that she was concerned with the proposal as presented, partly because it would be a reduction overall in what the Fair would pay to contract for similar service as last year, not to mention the additional services. She wasn't sure the Fair Board had met adequately with City officials to see if there were other ways to alleviate the parking concerns, such as directing cars to the Overpark instead of street

parking. She was also not sure that just "buying" the system for the run of the Fair would take care of the problem. A third concern was that the District would end up paying a greater direct subsidy for this year's service. She thought that such subsidies for public agencies were somewhat justified, but was concerned about subsidizing a non-public agency. She thought the Board should look at some type of policy on what kind of ratio might exist for any kind of subsidization. Ms. Eberly also expressed a desire for a more precise policy, to help the Board understand how requests fit in with what has been done and will be done in the future. Ms. Calvert agreed with the need for a policy but thought the decision on the Oregon Country Fair had to be made quickly.

Ms. Loobey stated that this request is not precedent-setting in the sense that LTD has worked with non-public entities on these kinds of promotions in the past, such as the JOYRIDE or the EDA making up lost farebox revenues in order to offer ten-cent fares on a certain day, etc. However, the Oregon Country Fair request is different because it combines reduced charter rates with free fare days. She explained that charters are generally short-term service to take a specific group of people to a specific location, not regular service. In the past, the Oregon Country Fair service has been classified as a charter because it moves large amounts of people to a specific site, with limited passenger pick-up areas.

Ms. Calvert said she understood having a free weekend for a general promotion and encouraging people to transfer from regular service to Fair service. However, she wondered if the impact of having a different cost for the charter service and no free fare days would be so negative for the Oregon Country Fair. Ms. Loobey stated that a projection could be made that when service is offered at no cost to the community, the number of riders does increase. Higher ridership to the Oregon Country Fair would mean higher gate receipts for them.

In explaining why the change in costs had been requested by the Oregon Country Fair Board, it was stated that it was an issue of finances for the Fair. Mr. Landman explained that two years ago the Fair Board decided to purchase the land for \$225,000, and was trying to improve the services, such as the toilet facilities, at the Fair site. He added that in one year, the Fair paid a \$4,000 increase in charter rates when they changed from \$25 to \$35 per hour. In response to the questions regarding the downtown parking situation, he said he had talked with City officials and received feedback on the problems, but had not pursued other solutions. If the service request was approved, he said, the promotional materials for the Oregon Country Fair would ask people not to drive downtown, but to use the River Road Transit Station or take the bus from their neighborhoods.

Ms. Nichols wanted to know if the Oregon Country Fair Board had looked at increasing the ticket price to the Fair or charging a small amount to ride the bus to the Fair. Mr. Landman said that issue was before the Fair Board in the proposed budget, with a decision to be made

on April 28. The Fair Board is in strong opposition, he said, to an increase in the admission price, feeling that it would have a strong impact on attendance. He explained also that there has been talk for several years of charging 25 cents to ride the bus, but the opposition has been based on the fact that they want to encourage people to ride the bus to the Fair and charging a fare could make driving a car more desirable for groups. Ed Bergeron, Marketing Administrator, stated that in the early years when there was a charge to ride the bus, ridership was one-fifth to one-fourth of what it is now. Ms. Eberly stated that LTD has recently had some successful promotions with a 25-cent fare, and wondered what the impact would actually be now.

Ms. Calvert said the LTD Board was faced with the problem of asking taxpayers to help subsidize this service. Ms. Nichols thought the negotiations were all on the part of LTD, but that if there were some demonstration of a willingness of the Fair Board to pick up some part of the costs, she could look at the issue more favorably. In the absence of a clear policy, she thought an LTD subsidy of \$9,400 was quite a lot of money.

Carla Chambers, Marketing Representative, commented that LTD had been blamed when another charter company did not provide adequate service to the Fair, and that the District has received positive letters and telephone calls each year when it has provided the service. She suggested that if 25 cents was charged for riding to the Fair, ridership would drop about 3,000 and the parking problems could increase. Community response to LTD could be negative even though the service would be provided under a charter agreement.

Ms. Calvert stated that one of the problems is that the District does not want to create a negative attitude, but also does not want to have to protect its reputation by subsidizing every promotional idea that comes along. She wondered if the free weekend service and the cost of the charter were so intertwined that they could not be separated. She suggested that instead of merely approving or turning down the request, the LTD Board could make an alternate proposal, such as not authorizing the weekend service but providing \$6,000 in charter costs for the same amount of charter service, to make the total cost less.

Ms. Loobey stated that if the Board removed the free fare issue, LTD would be receiving farebox revenues, so the service costs would be \$13,480. If the Fair paid \$8,858 against just the charter costs, LTD would be subsidizing \$4,000. She talked about the difficulty of calculating the reduction in ridership and how that would translate into demand, and whether that would be enough service. She wondered about the Board's preference regarding responding to greater service needs if the money available doesn't meet the demand. Would the District refuse to add service, or agree to add service to meet demand? She also wondered what would happen if LTD put off this decision until May 7. Mr. Landman replied that their deadline for approval by their board was the end of April, and they needed to know LTD's decision before their April 28

meeting. They were waiting to put the admission price and LTD's participation on their posters.

Ms. Nichols expressed her concerns about any negative publicity coming to the District--if there are not enough buses on the road because there is not enough money; if riders were charged 25 cents; if there is still a parking problem downtown; etc. She said she would be willing to compromise with the Fair that evening, but not to authorize a subsidy at the level of \$9,400.

Mr. Landman said that the Fair's goal is to get people to the Fair site, and that the purchase of the free fare service was an add-on. He said the Oregon Country Fair would rather give up the free fare weekend than decrease the number of buses going to the Fair site. He also mentioned the need to be flexible with the ability to call additional buses because the Fair and LTD look bad if people are stranded at the Fair site. He said he would like to focus on a way to get people to the Fair that the LTD Board could be comfortable with. He thought the most feasible at that point would be to look at increasing the percentage the Oregon Country Fair would pay for service out to the Fair and transfer the money that was allocated for the entire service over into that category, to put their money into getting people to the fair and to forget about buying the system. He expressed hope that a policy could be in place so the Fair Board could look at this issue again next year.

Ms. Loobey stated that if the funds that were going to support the free fare were put into the charter costs, there would still be some subsidy on the part of LTD, but not at the \$9,000 level. Ms. Calvert commented that if this was done, she thought there should be some flexibility that if another bus was needed, it would not be an absolute fixed number so that large numbers of people would be left at the Fair site. Ms. Loobey stated that LTD does not leave people stranded. Mr. Landman said that the fair also did not want to leave people stranded, and that he may be the Fair representative making the decision as to whether or not additional buses are put into service this year, and that he was very sensitive to not wanting to leave people there.

Ms. Nichols moved that LTD provide charter service at the \$8,858 level, more or less, from the Oregon Country Fair, with a subsidy of \$4,620 from LTD for that charter service, and that the proposed free weekend service be eliminated. Mr. Parducci seconded the motion. With no further discussion, the motion carried by unanimous vote.

Mr. Landman thanked the Board for spending time on this issue, and said he would be more than willing to work with staff on the organizational perspective of what a policy should be.

ADJOURNMENT: With no further business, Ms. Eberly moved that the meeting be adjourned to Tuesday, May 7 at 7:30 p.m. in the City Hall. Ms. Nichols seconded the motion, and the meeting was unanimously adjourned at 10:50 p.m.


Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

Adjourned Meeting

May 7, 1985

Pursuant to notice given at the April 16, 1985 regular meeting and to the Register-Guard for publication on May 2, 1985, and distributed to persons on the mailing list of the District, an adjourned meeting of the Board of Directors of the Lane Transit District was held at 7:30 p.m. on May 7, 1985 in the Eugene City Hall.

Present:

Peter Brandt, Treasurer
Janet Calvert, President, presiding
Janice Eberly, Vice President
Larry Parducci, Secretary
Gus Pusateri
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

News Media Representatives:

Steve Collier, Springfield News

Absent:


Joyce Nichols

OPENING REMARKS BY BOARD PRESIDENT: After calling the meeting to order at 7:30 p.m., Ms. Calvert stated that, unless there were conflicts with the meeting date, the Board Facilities Subcommittee had expressed an interest in holding an extra meeting on May 14 to discuss the facilities project in more detail, rather than trying to make any decisions that evening. The consultant's presentation on the recommended site and budget for the project would be given to the full Budget Committee immediately after the Board meeting adjourned that evening.

AUDIENCE PARTICIPATION: Suzanne Boyd, President of the League of Women Voters of Lane County, urged the Board and Budget Committee not to relocate the transit facilities at 10th and Willamette at this time. She stated that the League had testified against the opening of Willamette Street between 10th and 11th, and was now dismayed that the reopening had been finalized while LTD's problems remained unsolved. The League believes that it would be unwise to spend money on relocating the facilities because the uncertainty of City plans for downtown Eugene could make any relocation only temporary, and there is no assurance that transit would be given adequate consideration during future changes. Addition-

ally, the League believes that passengers will be able to cross Willamette to board buses without much difficulty, especially during rush hour when the large numbers of people crossing the street will enable others to keep crossing. Finally, Ms. Boyd stated that the League thought the money invested in the present facilities on 10th was well spent and that the District should not have to spend more money on the downtown transit facilities or to relocate at this time. She passed out a letter to the Board and Budget Committee which presented these issues and the League's reasoning on them.

ADJOURNMENT: With no other audience participation or business for the Board of Directors, Ms. Eberly moved that the Board meeting be adjourned to Tuesday, May 14, 1985 at 6:30 p.m. at the Red Lion Motor Inn in Springfield. Mr. Parducci seconded, and the motion carried by unanimous vote. The meeting was adjourned at 7:40 p.m.


Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

ADJOURNED MEETING/WORK SESSION

May 14, 1985

Pursuant to notice given at the May 7, 1985 adjourned meeting and distributed to persons on the mailing list of the District, an adjourned meeting of the Lane Transit District Board of Directors was held at 6:30 p.m. on Tuesday, May 14, 1985 at the Red Lion Motor Inn, 3280 Gateway, Springfield.

Present: Peter Brandt, Treasurer
Janet Calvert, President, presiding
Joyce Nichols
Larry Parducci, Secretary
Gus Pusateri
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

News Media Representative:
Steve Collier, Springfield News

Absent: Janice Eberly, Vice President

AUDIENCE PARTICIPATION: No members of the public were present.

DISCUSSION OF SUBCOMMITTEE RECOMMENDATION REGARDING BUS MAINTENANCE FACILITY: Ms. Calvert began the discussion by reading the recommendation made by the Board Facilities Subcommittee, which was included in the agenda packet. She mentioned the need to give clear direction to the Budget Committee if the project is to proceed.

Mr. Parducci stated that after being involved in the subcommittee process, his personal feeling was that the District does need the facility and now is the time to pursue it. He was at first uncomfortable with the highest ranking for the Glenwood Drive-In site, but after the architect's presentation, he was now comfortable with that site. He thought that Mr. Gunderson had done an excellent job of presenting the study. Mr. Parducci also said the increase in the facility cost from \$8 million to \$9.5 million would not affect the District this year, and the difference in what is needed in local share is not out of proportion. Since the present facilities are overcrowded, there is a need to work toward a new facility now.

Mr. Parducci also told the Board that he had participated in a meeting with several of the District's payroll taxpayers and that he did not receive any feeling from them that they did not want this to happen; they just wanted to be more apprised of what was going on. As far as the payroll tax issue, Mr. Parducci said he would like to see all the alterna-

tives, but thought it was going to be necessary to increase the payroll tax sooner or later, and suggested looking at doing it next year.

Ms. Loobey stated that since the Budget Committee meeting on May 7, staff had looked at projections for the cost of the facility and how to finance it. The immediate issue in the revenue picture is the facility, which is the most major construction project the District will undergo in many years. The District will be 15 years old in June, and remarkable progress has been made in service delivery and the operations of the District.

Other ongoing issues include the fact that costs will be increasing and a 20 percent per year reduction in federal capital and operating assistance for the next five years. This would mean the loss of \$1 million per year in capital assistance and \$900,000 per year in operating funds. A major issue is whether the local community will be willing and able to meet the District's financial needs.

Ms. Loobey stated that very little leeway remains for cutting service without cutting into the heart of the service, and raising fares will not provide the necessary funds. Therefore, she said, the issue for Board discussion is not only the financing of the bus maintenance facility, but also the financing for the District's operations over the next years.

Mark Pangborn, Director of Administrative Services and Budget Officer, used several charts to show the financing alternatives which staff were proposing for Board consideration. He said that keeping capital expenditures for other needs to a minimum was important in order to demonstrate the District's commitment to use Section 9 money for a new facility in order to receive Section 3 money, as well.

In response to a question asked by the Budget Committee about not fully funding the Risk Management fund, Mr. Pangborn showed that the average loss in the past five years was \$57,000, with the highest loss being \$62,000. If a 50 percent increase over the highest loss is assumed and funding against the deductible is reduced from \$150,000 to \$93,000, the District would incur a savings of \$57,000 and a corresponding exposure in the same amount. In Workers' Compensation, SAIF has already looked at the ratios for average and high losses in order to set the District's payments, and a reduction in Workers' Compensation funding would not be recommended. Therefore, the total savings to be gained from not fully funding Risk Management would be \$57,000.

Mr. Brandt asked about interest earnings from capital reserves. Mr. Pangborn explained that those interest earnings go to offset the General Fund and are not put back into the Capital Fund, although they could be.

Mr. Pangborn also showed that the FY 84-85 unallocated match is now anticipated to be \$1,794,000. In managing the budget conservatively, possible savings could be realized by delaying the painting of the 700-

which would also eliminate service to some people who are now being served (\$30,000); reduction of expenditures for materials and supplies (\$30,000); and eliminating the contingency (\$80,000). Possible increases could occur if the contract settlement is higher than budgeted; if there is a major insurance loss; or if fuel prices increase by more than 5 percent.

Mr. Pangborn also talked about scheduled bus replacement and addition needs and stated that the required combined reserves for the next seven years would be \$261,000. He then discussed a three-year projection for revenues and expenses and a reconciliation of original local capital needs, from the original estimate of \$170,000 to the new estimate of \$712,650.

Next, Mr. Pangborn discussed three alternatives for funding a bus maintenance facility and other capital needs. The first option included no tax increase, which would result in no local capital reserves for bus replacement; reduced Risk Management funding (a savings of \$57,000), which would increase the District's exposure in its insurance coverage; and managing the budget conservatively (\$176,000), for less assurance of having the matching funds for the facilities project. The second option, which staff termed a medium-risk option, included a tax increase to .0052 (for additional revenues of \$188,000), which would mean \$13,000 for local capital for bus replacement; and the \$57,000 in Risk Management savings and \$176,000 for managing the budget conservatively, for a total of \$415,000. The third option, which involved less risk for the District, involves a tax increase to .0053, for \$282,000 in additional revenues, which would mean \$174,000 in local match for bus replacement; fully funding Risk Management; and \$176,000 in savings for managing the budget conservatively. The third option would provide funding in the amount of \$458,000. Mr. Pangborn asked the Board to keep the three-year projections in mind when talking about the options, since the District basically has two alternatives to pay for any shortages--raising payroll taxes or cutting service.

There was some discussion about anticipating only a four percent inflationary payroll tax increase. Mr. Pangborn talked about the shift in payrolls which has been occurring in Lane County payrolls, with \$15.00 per hour timber jobs being lost and being replaced by more jobs, but jobs which pay a lot less. More people are now employed but at a lower rate. Staff did not want to overestimate the revenues in the budget.

Ms. Loobey said that although this was only a three-year projection, they were talking about a facility to last 35 to 50 years. She repeated the need to capture federal funds before it becomes more difficult in order to replace a facility which is no longer adequate.

There followed some discussion about needing a broader tax base in the longer-term future and why those options are not available at this time.

Mr. Brandt thought it was unreasonable to raise the payroll tax now if the Board didn't have to; he thought they could wait and raise \$1.5 million later if they needed it--if the District maximized revenues and held down expenses, there was no reason to "jump the gun" on a tax increase. Mr. Pangborn thought the District should move ahead with the facility and, although a tax increase was not necessary at this point, it would become necessary at some point later if the District committed to the facility. He said he had been hearing a definite reluctance to raise the payroll tax rate from both the Board and Budget Committee. He said it would be possible to make a low increase in the tax rate now and keep it steady into the future; however, if a small increase is not made now, there is a possibility that a much larger one will have to be made in FY 86-87.

Mr. Brandt asked about building the maintenance facility now and the administration building later. Staff explained that the maintenance facility is a large portion of the project; that space for dispatch and operators (considered part of the administrative facility) needs to be located near the maintenance shop and bus parking; and that only about 15 administrative staff would be left to inhabit a separate building to be constructed later. Staff also believe that it is better to locate all administrative staff at the same facility, for better communications.

In response to a question from Mr. Brandt, Mr. Gunderson explained that a contingency of 10 percent of the project is within the normal range. UMTA has reported applications including a 15 percent contingency. Mr. Brandt was also concerned about the grant funds being contingent on everything else in the process. Mr. Dallas explained that UMTA wanted to see a commitment that other capital projects will be kept to a minimum so that the District's efforts can be directed toward the facilities project, and to show that the District really needs the facility. Ms. Loobey stated that if the District receives a commitment on the Section 9 grant application, it should also have Section 3 funding within four to five months. However, UMTA does not care when the District plans to raise the payroll tax; there must just be a commitment that the funds will be there when they are needed for the project. LTD would, however, be unable to use a three-year timeline for raising the payroll taxes unless the project gets pushed out one more year. The District would not receive the federal funds until the money was actually spent, and then the local match would be needed.

Mr. Pusateri wondered about the possibility of negotiations for land driving the price up. Staff explained that negotiating for three sites instead of one would help. Additionally, LTD as a public agency is required to obtain three appraisals and to offer at least the minimal appraisal. If that is not satisfactory, the District also has the right of eminent domain, but would want to consider the cost of going to court. It is also a tax advantage to a private owner to sell to a public agency.

Mr. Pusateri wanted to be sure that letters had been written to every taxpayer letting them know about the possibility of a higher tax rate. Ms. Loobey replied that every taxpayer had been mailed the information, but only about 12 had responded, and were more interested in the details of what was happening with the facility than in the tax rate. Mr. Dallas commented that the feeling he got from talking to taxpayers and members of the community is that they no longer feel they have to "watchdog" LTD; they are still concerned with the solutions, but have a higher level of trust in the Board policies and staff management.

Mr. Brandt also raised the issue of what was happening to the transit station in downtown Eugene. Ms. Loobey stated that the City has committed to participate in the cost. The total local match is only expected to be \$24,000.

Mr. Pusateri suggested that putting off raising the payroll tax rate as long as possible would show the taxpayers that the District is keeping expenses down. LTD should let them know they have that money "in their pockets" for next year, but may have to pay more later. Mr. Dallas stated that the question is which approach they will view more favorably--a little now or a lot later. Ms. Loobey wondered if keeping expenses down and lowering the payroll tax in the past had earned the District any credibility or support in the community for a demonstrated need to move ahead with a new facility.

Mr. Brandt stressed that the emphasis of the new facility is to keep the system working efficiently and effectively and keeping costs down. He thought people would rather keep the taxes down as long as possible and deal with the needs later. He also stressed the need to push hard to get an efficient facility at the lowest cost possible, and to have stringent goals to keep the costs down. He thought the Board would have accomplished something significant if it could build the facility and end FY 87-88 without raising the payroll tax rate. Ms. Calvert stated that she would not want to see that accomplished at the expense of cutting service. Mr. Parducci thought this was probably the best time in the next 20 years to build such a low-cost facility. Mr. Pusateri thought the Board might agree next year that the facility could not be built without a tax increase.

Ms. Nichols wondered about finding other ways to be more efficient with fewer dollars than exist now. Mr. Brandt wondered specifically about the need for more shelters. Ms. Loobey stated that the District has been making those kinds of cuts and efficiencies for the past several years, in order to keep the annual budget below \$7.5 million.

Ms. Nichols said she would hate to see the District raise the payroll tax against the future if it could wait until it saw the future better. She wondered what it would cost LTD to put off all decisions and action for one more year. Mr. Dallas explained, first of all, that this is exactly what the District has done for the past five or six years, when it built interim facilities to last until bus replacement needs could be

met. Additionally, waiting would prolong the current level of operating costs one more year into the future, and savings from a new facility would be delayed. Waiting would also compound the funding problem because the facilities funding would need to be saved on top of paying the additional operating costs. He also said that the staff hadn't added into any of the figures they had presented the effect of a project of this size on the local economy. He added that staff were very much in favor of Mr. Brandt's position on setting and living within project goals; however, in spite of all of Mr. Gunderson's efforts, the cost figures were still speculative. As the design work begins, as bids are opened, as change orders are made during construction, a more assured idea of the costs will evolve.

Ms. Calvert mentioned the community's experience with the jail and the added expenses of doing part of a project and then doing another part later.

Mr. Pangborn stated that staff were trying to show options and what they assess to be the full impact of those options. Staff could manage with any one of them and, in fact, would be doing nothing different in terms of managing the budget frugally. He said that many decisions would be made by the Board all along if the project is undertaken. Mr. Dallas added that part of the purpose of the work session that evening was to try to prevent any surprises from occurring during the project.

In response to a question, Mr. Pangborn stated that if the Board requests Section 9 funding by June 30, it should be allocated by October. Between those times, negotiations for land purchase could occur, but no money could be spent. Mr. Dallas stated that the District would be at some risk for negotiators' and appraisal fees. At the point where the property is available and a price is agreed on, the District would make a decision. Board decisions would also be required on options for facilities design and every step along the way before money was to be spent.

After Ms. Calvert reviewed the Subcommittee recommendation in the agenda packet, Mr. Parducci stated that the Subcommittee had wanted to bring the issue before the full Board so that every issue could be aired and agreement reached among the Board members before the funding decision was brought before the Budget Committee. Mr. Brandt stated that he agreed with the Subcommittee's recommendation that the project should move forward; however, it would be up to the Budget Committee to decide how to fund it. Mr. Pangborn stated that the Board would have the final say, because it is allowed by law to change up to 10 percent of the total budget.

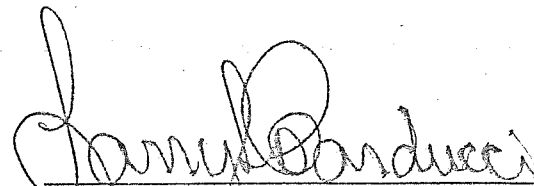
Ms. Nichols then moved that the Board direct staff to begin preparations for a grant application for Board approval at the June 18 regular meeting, pursuant to discussion at the May 14 meeting; and that the Board confirm the recommendation of the Facilities Subcommittee. Included in this motion is the desire for no tax increase in Fiscal Year 1985-86. Mr. Parducci seconded, and the motion carried by unanimous vote.

Funding for Higher Education: Mr. Brandt brought up the issue of funding for the Oregon State System of Higher Education for the good of the order. According to that day's newspaper, it appeared that Higher Education would not be receiving the requested funds, which would ultimately mean the loss of millions of dollars for Eugene through lost grant funding and construction. He thought the members owed it to themselves as a Board to contact their legislators because of the economic impact of the possible loss of \$20 to \$30 million to this community.

Mr. Brandt moved that the Board direct staff to draft a letter to all legislators for the Board President's signature which addressed the Board's concerns regarding the importance of funding for Higher Education to the economic development of the area. Mr. Parducci seconded the motion. Mr. Pusateri declared a conflict of interest because of his employment with the University of Oregon and the inclusion of academic salaries in the budget proposals. Ms. Nichols also declared a possible conflict of interest based on the relationship of Weyerhaeuser to the proposed River Front Park which was included in the budget package.

With no further discussion, the vote was taken. The motion carried 4 to 0, with Mr. Pusateri abstaining and all others voting in favor.

ADJOURNMENT: Mr. Brandt moved, seconded by Ms. Nichols, that the meeting be adjourned. With no further discussion, the meeting was duly adjourned at 10:05 p.m.


Board Secretary

bdmn0514.jhs



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581


May 21, 1985

MEMORANDUM

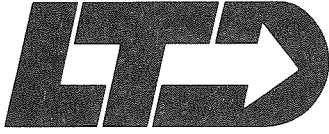
TO: All Board/Budget Committee Members
FROM: Mark Pangborn, Budget Officer
RE: Insurance Coverage for Board/Budget Committee Members

At a recent Board meeting, the question was raised as to the insurance coverage for Board members. The District annually obtains insurance coverage not only for all Board members, but for committee members, as well.

The insurance provides coverage of up to \$10,300,000 per member per year. There is a \$5,000 deductible per occurrence. In FY 84-85, this coverage cost \$5,200 in premiums.


Mark Pangborn
Budget Officer

MP/em



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 15, 1985

The Honorable ¹
Oregon State Capitol
Salem, Oregon 97310

Dear

The Lane Transit District Board of Directors urges your support for full funding of the Oregon State System of Higher Education budget.

The community-wide benefits to be gained with such developments as the Riverfront Park and the continued development of the Willamette Valley Research Corridor are critical to the future of Lane County. Current economic development and diversification will be hampered, if not curtailed, without the necessary investments proposed in the Higher Education budget.

Lane Transit is directly benefited both through its payroll tax base and its ridership potential when such efforts come to fruition. The potential for assuring the future for Lane County lies with the University of Oregon and the resources it can bring to bear upon the prosperity of this metropolitan area.

The LTD Board is unanimous in seeking your support for this very critical element of Lane County's economic future. Thank you for your support.

Sincerely,

Janet Calvert
President, Board of
Directors

JC/PL:js

¹ See attached list

Senator Edward Fadeley	Representative Cedric Hayden
Senator William Frye	Representative Jim Hill
Senator Charles Hanlon	Representative Carl Hositcka
Senator Margie Hendriksen	Representative Peg Jolin
Senator John Kitzhaber	Representative Vera Katz
Senator William McCoy	Representative Mike Kopetski
Senator Tony Meeker	Representative Tom Mason
Senator Rod Monroe	Representative Mike McCracken
Senator Mike Thorne	Representative Paul Phillips
Senator Jan Wyers	Representative John Schoon
Senator Mae Yih	Representative Tom Throop
Representative Cindy Banzer	Representative Jim Whitty
Representative Stan Bunn	Representative Ron Eachus
Representative Mary Burrows	Representative Wayne Fawbush
Representative Ted Calouri	Representative Larry Campbell



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 14, 1985

MEMORANDUM

To: Board of Directors
From: Ed Bergeron, Marketing Administrator
Re: Charter rates

LTD charter services to local and visiting groups play a very important role in our community's overall convention service package. In recent years we have seen our charter revenues steadily grow from \$2,500 in FY 79-80 to a projection of \$42,248 for FY 84-85. Last year, the Eugene-Springfield Convention and Visitors Bureau gave LTD its "Blue Heron" award acknowledging our success and accomplishments in this key new industry.

Our federal funding subjects LTD to Urban Mass Transportation Administration guidelines regarding charter service. In general, those guidelines require that:

1. Charters must not interfere with our fixed route service.
2. Our charter rates must cover all of our direct plus allocated costs (including equipment depreciation).
3. We must accept public testimony annually on the nature of our proposed charter services.

In 1983, our charter rate was increased from \$25.00 per bus hour to \$35.00 per hour, reflecting local market conditions and increases in our operating costs. The new rate positioned LTD at the "high end" of the local market, allowing us to serve the community's needs while still encouraging growth and opportunity for local private operators.

This pricing strategy has served us well in terms of community support and service to the industry. To maintain this course, we will implement an increase in LTD's charter rate to \$40.00 per bus hour, effective July 1, 1985.

Board of Directors
Charter Rates
May 14, 1985
Page 2

The new rate is expected to cover all LTD costs associated with the service and to guarantee some profit, as well. The price was established in conjunction with a review of local market rates and District fixed and variable expenses associated with the service.

LTD charter services are coordinated by the Marketing Division, and we will closely monitor the effect of the rate increase in the months ahead. A formal review of the market impact is planned for January, 1986.



Ed Bergeron
Marketing Administrator

EB:ms:js

LANE TRANSIT DISTRICT
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES
 GENERAL FUND
 FOR THE TEN MONTHS ENDING APRIL 30, 1985 (83.33% OF YEAR COMPLETED)

	CURRENT MONTH		YEAR-TO-DATE		%	YEARLY	BALANCE
	1985	1984	1985	1984	ACTIVITY	BUDGET	
REVENUES							
Operating Revenues:							
Passenger Fares	122,402	115,098	1,083,201	1,092,073	72.93%	1,485,200	(401,999)
Charters	1,012	53	45,636	21,568	126.77%	36,000	9,636
Advertising	3,448	3,870	29,742	38,339	66.09%	45,000	(15,258)
Miscellaneous	477	259	2,629	2,505	52.58%	5,000	(2,371)
TOTAL OPERATING REVENUES	127,339	119,280	1,161,208	1,154,485	73.91%	1,571,200	(409,992)
Non-Operating Revenues:							
Interest	9,892	11,099	155,664	109,470	103.78%	150,000	5,664
Payroll Taxes	224,571	232,979	3,690,918	3,941,393	83.85%	4,401,900	(710,982)
Federal Operating Assistance	1,050,761	0	1,050,761	0	100.71%	1,043,400	7,361
State In-Lieu-Of Payroll Taxes	114,274	139,057	308,475	264,573	68.55%	450,000	(141,525)
Other Operating Assistance	1,715	2,238	3,896	5,179	38.96%	10,000	(6,104)
Short-term Loan Proceeds	0	0	50,000	0	100.00%	50,000	0
TOTAL NON-OPERATING REVENUES	1,401,203	385,373	5,259,714	4,320,615	86.15%	6,105,300	(845,586)
TOTAL REVENUES	1,528,542	504,653	6,420,922	5,475,100	83.64%	7,676,500	(1,255,578)
EXPENDITURES							
Administration:							
Personal Services	32,702	32,037	334,950	303,379	81.81%	409,400	74,450
Materials and Supplies	8,278	5,477	85,731	74,095	67.66%	126,700	40,969
Contractual Services	1,368	628	33,504	22,089	44.08%	76,000	42,496
Total Administration	42,348	38,142	454,185	399,563	74.20%	612,100	157,915
Marketing and Planning:							
Personal Services	34,561	29,157	342,944	293,337	80.90%	423,900	80,956
Materials and Supplies	8,898	8,213	131,006	102,423	89.12%	147,000	15,994
Contractual Services	43,336	15,466	253,523	221,393	90.32%	280,700	27,177
Total Marketing and Planning	86,795	52,836	727,473	617,153	85.42%	851,600	124,127
Transportation:							
Personal Services	282,980	244,358	2,864,773	2,655,435	78.74%	3,638,100	773,327
Materials and Supplies	2,970	5,392	12,184	11,976	74.75%	16,300	4,116
Contractual Services	424	5,853	3,733	11,081	31.11%	12,000	8,267
Total Transportation	286,374	255,603	2,880,690	2,678,492	78.57%	3,666,400	785,710
Maintenance:							
Personal Services	78,712	70,108	767,271	756,288	75.49%	1,016,400	249,129
Materials and Supplies	90,954	89,833	769,538	679,940	88.54%	921,200	151,662
Contractual Services	7,501	(3,109)	77,403	36,365	63.34%	122,200	44,797
Total Maintenance	177,167	156,832	1,614,212	1,472,593	78.37%	2,059,800	445,588
Contingency	0	0	0	0	0.00%	71,000	71,000
Loan to Capital Projects	0	0	0	0	0.00%	175,000	175,000
Transfer to Capital Projects	0	0	190,600	135,000	100.00%	190,600	0
Transfer to Risk Management	0	0	0	135,000	N/A	0	0
Transfer to Short-term Borrowing	0	0	0	0	N/A	50,000	50,000
TOTAL EXPENDITURES	592,674	503,413	5,867,160	5,437,801	76.43%	7,676,500	1,809,340
EXCESS (DEFICIT) OF REVENUES							
OVER EXPENDITURES	935,868	1,240	553,762	37,299	N/A	0	553,762

LANE TRANSIT DISTRICT
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES
 CAPITAL PROJECTS FUND
 FOR THE TEN MONTHS ENDING APRIL 30, 1985 (83.33% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
RESOURCES				
Beginning Fund Balance	2,189,724	95.95%	2,282,207	(92,483)
Revenues:				
UMTA Section 5	2,417,094	87.09%	2,775,504	(358,410)
UMTA Section 9	1,159,744	65.78%	1,763,147	(603,403)
UMTA Section 18	0	0.00%	88,440	(88,440)
Federal Highway Admin	7,603	3.77%	201,520	(193,917)
State Assistance	37,326	31.11%	120,000	(82,674)
Misc Grant Revenues	5,246	43.72%	12,000	(6,754)
Transfer from Gen'l Fund	190,600	100.00%	190,600	0
Loan from Gen'l Fund	0	0.00%	175,000	(175,000)
Total Revenues	3,817,613	71.68%	5,326,211	(1,508,598)
TOTAL RESOURCES	6,007,337	78.96%	7,608,418	(1,601,081)
EXPENDITURES				
Locally Funded:				
Land & Buildings	4,750	N/A	0	(4,750)
Total Locally Funded	4,750	N/A	0	(4,750)
UMTA Funded:				
Computer Software	15,023	263.56%	5,700	(9,323)
Office Equipment	63,951	40.71%	157,081	93,130
Maintenance Equipment	7,692	5.94%	129,500	121,808
Bus Stop Improvements	29,553	10.99%	269,001	239,448
Land & Buildings	32,312	32.87%	98,300	65,988
Buses	4,242,016	87.29%	4,859,479	617,463
Bus Related Equipment	7,841	8.01%	97,900	90,059
Service Vehicles	9,284	43.79%	21,203	11,919
Miscellaneous	63,375	43.50%	145,700	82,325
Total UMTA Funded	4,471,047	77.30%	5,783,864	1,312,817
FHWA Funded:				
Bus Stop Improvements	8,625	3.77%	229,000	220,375
Total FHWA Funded	8,625	3.77%	229,000	220,375
Contingency	0	0.00%	8,480	8,480
TOTAL EXPENDITURES	4,484,422	74.48%	6,021,344	1,536,922
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES				
	1,522,915	95.96%	1,587,074	(64,159)

COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES
 RISK MANAGEMENT FUND
 FOR THE TEN MONTHS ENDING APRIL 30, 1985 (83.33% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
RESOURCES				
Beginning Fund Balance	398,394	1.05	380,649	17,745
Revenues:				
Transfer from Gen'l Fund	0	N/A	0	0
Interest	28,790	1.92	15,000	13,790
Total Revenues	28,790	1.92	15,000	13,790
TOTAL RESOURCES	427,184	1.08	395,649	31,535
EXPENDITURES				
Administration	16,400	0.99	16,500	100
Worker's Compensation	52,639	0.37	143,000	90,311
Liability Program	102,930	0.52	199,400	96,470
Miscellaneous Insurance	1,267	0.29	4,400	3,133
TOTAL EXPENDITURES	173,236	0.48	363,300	190,014
ENDING FUND BALANCE	253,898	7.85	32,349	221,549

LANE TRANSIT DISTRICT
 COMPARISON OF YEAR-TO-DATE ACTUAL REVENUES AND EXPENDITURES TO BUDGETED
 GENERAL FUND
 FOR THE TEN MONTHS ENDING APRIL 30, 1985

	YEAR-TO-DATE ACTIVITY	YEAR-TO-DATE BUDGET	VARIANCE	
			FAVORABLE (UNFAVORABLE) AMOUNT	%
REVENUES				
Operating Revenues:				
Passenger Fares	1,083,201	1,240,000	(156,799)	-12.65%
Charters	45,636	32,000	13,636	42.61%
Advertisins	29,742	37,500	(7,758)	-20.69%
Miscellaneous	2,629	4,163	(1,539)	-36.92%
TOTAL OPERATING REVENUES	1,161,208	1,313,663	(152,460)	-11.61%
Non-Operating Revenues:				
Interest	155,664	125,000	30,664	24.53%
Payroll Taxes	3,690,918	3,601,425	89,493	2.48%
Federal Operating Assistance	1,050,761	1,043,400	7,361	N/A
State In-Lieu-Of Payroll Taxes	308,475	330,000	(21,525)	N/A
Other Operating Assistance	3,896	5,000	(1,104)	N/A
Short-term Loan Proceeds	50,000	50,000	0	N/A
TOTAL NON-OPERATING REVENUES	5,259,714	5,154,825	104,889	2.03%
TOTAL REVENUES	6,420,922	6,468,493	(47,571)	-0.74%
EXPENDITURES				
Administration:				
Personal Services	334,950	341,168	6,218	1.82%
Materials and Supplies	85,731	105,499	19,768	18.74%
Contractual Services	33,504	45,456	11,952	26.29%
Total Administration	454,185	492,123	37,938	7.71%
Marketing and Planning:				
Personal Services	342,944	353,050	10,106	2.86%
Materials and Supplies	131,006	128,823	(2,183)	-1.69%
Contractual Services	253,523	265,000	11,477	4.33%
Total Marketing and Planning	727,473	746,873	19,400	2.60%
Transportation:				
Personal Services	2,864,773	3,011,182	146,409	4.86%
Materials and Supplies	12,184	12,280	96	0.78%
Contractual Services	3,733	10,000	6,267	62.67%
Total Transportation	2,880,690	3,033,462	152,772	5.04%
Maintenance:				
Personal Services	767,271	847,418	80,147	9.46%
Materials and Supplies	769,538	772,706	3,168	0.41%
Contractual Services	77,403	104,150	26,747	25.68%
Total Maintenance	1,614,212	1,724,274	110,062	6.38%
Contingency	0	0	0	N/A
Transfer to Capital Projects	190,600	190,600	0	0.00%
Transfer to Risk Management	0	0	0	N/A
Transfer to Short-term Borrowings	0	0	0	N/A
TOTAL EXPENDITURES	5,867,160	6,187,332	320,172	5.17%
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	553,762	281,161	272,601	96.96%

Public notice was given at the
May 7, 1985 Adjourned meeting.

LANE TRANSIT DISTRICT
ADJOURNED BOARD MEETING

May 14, 1985

6:30 p.m.

Red Lion Motor Inn,
3280 Gateway, Springfield

A G E N D A

I. CALL TO ORDER

II. ROLL CALL

Nichols_____ Parducci_____ Pusateri_____ Brandt_____
Calvert_____ Eberly_____

III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

IV. AUDIENCE PARTICIPATION

V. DISCUSSION OF SUBCOMMITTEE RECOMMENDATION REGARDING BUS MAINTENANCE
FACILITY

VI. ADJOURNMENT



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 14, 1985

MEMORANDUM

TO: Board of Directors
FROM: Facilities Subcommittee
RE: Recommendation on Bus Maintenance Facility

At the Facilities Subcommittee meeting on April 30, the following members were present: Janice Eberly and Larry Parducci, LTD Board; and Bruce Hall and Jim Ivory, community representatives. The Subcommittee voted to recommend to the full Board that the Board direct staff to begin negotiations with owners of the top three sites for purchase of one, and to set a project budget of \$9,537,731, based on option 3A, to construct buildings for the year 2005 but bus and employee parking for the year 1995, and to budget and fund Phase II construction later. This recommendation does not include sale of LTD's present site.

Because of the budget implications, the Subcommittee also believed that a half-hour meeting on May 7 would not be long enough for adequate discussion, and recommended holding a work session on May 14 in order to insure full Board discussion on this important issue.

Janet Calvert, js
Janet Calvert
Committee Chair

js



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 14, 1985

MEMORANDUM

TO: Board of Directors
FROM: General Manager
RE: Bus Maintenance Facility

The purpose of this evening's work session is to discuss at greater length the principal issues of concern about the maintenance facility.

From the budget meeting packet of May 7, the areas of Board responsibility were described as:

- To determine if the need for a new facility has been demonstrated;
- To determine if the Board should authorize the staff to begin property negotiations; and
- To determine if the Board should authorize staff to prepare funding applications to provide for the project budget 3A option of \$9.5 million?

We believe that need has been demonstrated, that Budget Option 3A is a rational choice, and that speedy pursuit of the federal funds is critical to the success of the project. If the Board agrees with the Subcommittee recommendation and staff opinion, then the final question to be resolved is the funding of the local match.

We believe it essential that the Board provide some direction to the Budget Committee as it deliberates on its fundamental area of concern; that is, funding of the local match. This is not to mandate a course of action, but rather to focus the issue into manageable proportions.

We will present three FY 85-86 budget options for obtaining the required local match of \$712,000. The options will incorporate funding alternatives suggested by the Budget Committee at the May 7 meeting.

We appreciate the time and effort that you are devoting to this important issue.

Phyllis
Phyllis Loobey
General Manager

PL/js

Public notice was given at the
April 16, 1985 Board meeting and
to The Register-Guard for publication
on May 2, 1985.

LANE TRANSIT DISTRICT

ADJOURNED BOARD MEETING

May 7, 1985

7:30 p.m.

Municipal Courtroom #1,
Eugene City Hall

A G E N D A

I. CALL TO ORDER

II. ROLL CALL

Nichols_____ Parducci_____ Pusateri_____ Brandt_____
Calvert_____ Eberly_____

III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

IX. ADJOURNMENT (to Tuesday, May 14, 1985, 6:30 p.m. at the
Red Lion Motor Inn, 3280 Gateway Road, Springfield)



THE LEAGUE OF WOMEN VOTERS OF LANE COUNTY

Affiliated with the League of Women Voters
of Oregon and the United States

May 6, 1985

To the Lane Transit Board
Transit Budget Committee

The League is addressing both the Board and the Budget Committee tonight. We have followed the events that led up to the Eugene City Council decision to reopen Willamette between 10th and 11th. We testified twice against the reopening. One of our concerns was the disruption to the transit facilities recently completed along 10th. And now we are dismayed that the reopening has been finalized while your problems remain unsolved.

We hope you will leave your facilities as they are on 10th. We do not feel it would be wise to spend any money on relocation at this time. Our reasoning is as follows:

1. The uncertainty of city plans for the downtown area could make any relocation only temporary. And you have no assurance that transit needs would be given much consideration during future rearrangements of the urban landscape. For example, if the proposed shopping complex becomes a reality, one of the locations being considered is Olive-Charnelton, 8th to 10th. Sited there one could expect changes in traffic patterns and parking requirements. We know you are negotiating for space in the area around Olive, and are concerned that you could be ousted from that area in a rather short time.

2. We feel your passengers will be able to cross Willamette to board busses on either side without much difficulty. During rush hours the sheer number of passengers will ensure that critical mass where they will simply keep crossing the street in the fashion so familiar in other cities. In off hours we assume that drivers would have more leeway to wait for transfers, and would also be able to see them coming.

3. We feel, that given the knowledge you had at the time, the money invested in your facilities on 10th, was money well spent. We also believe that you should not have to put more funds into facilities in the downtown area at this time. And we do urge you to wait on relocating. There are simply too many uncertainties about downtown development for relocation to be either timely or thrifty.

Suzanne Boyd, President

3429 Stark St.
Eugene, OR 97404

JP

Public notice was given at the
May 7, 1985 Adjourned meeting.

LANE TRANSIT DISTRICT
ADJOURNED BOARD MEETING

May 14, 1985

6:30 p.m.

Red Lion Motor Inn,
3280 Gateway, Springfield

A G E N D A

- I. CALL TO ORDER
- II. ROLL CALL
Nichols ✓ Parducci ✓ Pusateri ✓ Brandt ✓
Calvert ✓ Eberly No
- III. INTRODUCTORY REMARKS BY BOARD PRESIDENT
- IV. AUDIENCE PARTICIPATION
- V. DISCUSSION OF SUBCOMMITTEE RECOMMENDATION REGARDING BUS MAINTENANCE FACILITY
- VI. ADJOURNMENT



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 14, 1985

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FROM: Facilities Subcommittee
RE: Recommendation on Bus Maintenance Facility

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Because of the budget implications, the Subcommittee also believed that a half-hour meeting on May 7 would not be long enough for adequate discussion, and recommended holding a work session on May 14 in order to insure full Board discussion on this important issue.

Janet Calvert, js
Janet Calvert
Committee Chair

js

*budget
publ bags
for grant
appl 6/1/85*



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

May 14, 1985

MEMORANDUM

TO: Board of Directors
FROM: General Manager
RE: Bus Maintenance Facility

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From the budget meeting packet of May 7, the areas of Board responsibility were described as:

- To determine if the need for a new facility has been demonstrated;
- To determine if the Board should authorize the staff to begin property negotiations; and
- To determine if the Board should authorize staff to prepare funding applications to provide for the project budget 3A option of \$9.5 million?

We believe that need has been demonstrated, that Budget Option 3A is a rational choice, and that speedy pursuit of the federal funds is critical to the success of the project. If the Board agrees with the Subcommittee recommendation and staff opinion, then the final question to be resolved is the funding of the local match.

We believe it essential that the Board provide some direction to the Budget Committee as it deliberates on its fundamental area of concern; that is, funding of the local match. This is not to mandate a course of action, but rather to focus the issue into manageable proportions.

We will present three FY 85-86 budget options for obtaining the required local match of \$712,000. The options will incorporate funding alternatives suggested by the Budget Committee at the May 7 meeting.

We appreciate the time and effort that you are devoting to this important issue.

Phyllis
Phyllis Loobey
General Manager

PL/js

LTD Capital Needs for FY 85-86/86-87

<u>Federal Grant</u>	<u>FACILITY</u>			<u>OTHER CAPITAL</u>			<u>Total Grant</u>	<u>Total Match</u>
	<u>Grant</u>	<u>Match</u>	<u>Total</u>	<u>Grant</u>	<u>Match</u>	<u>Total</u>		
Section 9 <i>already</i> FY 85-86 <i>allocated</i>	\$ 851,955	\$ 212,989	\$1,064,944	\$165,600	\$ 41,400	\$207,000	\$1,017,555	\$ 254,389
Section 9 FY 86-87	682,044	170,511	852,555	132,000	33,000	165,000	814,044	203,511
Section 3 FY 86-87	<u>5,715,174</u>	<u>1,905,058</u>	<u>7,620,232</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,715,174</u>	<u>1,905,058</u>
	\$7,249,173	\$2,288,588	\$9,537,731	\$297,600	\$ 74,400	\$372,000	\$7,546,773	\$2,362,958
							<i>sup pg 2</i>	<u>1,794,308</u>
								\$ 568,650

2 yr period: 2841
per year

Unallocated Match

1. Original amount		\$1,650,308
2. Insurance refund FY 84-85	<i>last week</i>	9,500
3. Increased payroll revenues and less expenses	<i>thru 6/30</i>	34,500
4. Sale of bus tax credit	<i>beg. next year</i>	<u>\$ 100,000</u> <i>-anticipated amt.</i>
TOTAL Match FY 85-86		\$1,794,000

Manage FY 85-86 Budget Conservatively

Possible Increases

- Contract settlement
- Major insurance loss
- Fuel price increase greater than 5% *50% budgeted*

Possible Savings

- Delay 700 bus painting \$ 36,000
 - Service redesign savings *reduction of lowest productive service but would* 30,000
 - Materials & supplies savings 30,000
 - Contingency 80,000
- \$176,000

eliminate svc to some pro now b. served

Risk Mgmt

liability 150,000 deductible
avg loss 5 yr 57,000
highest 62,000

Assume 50% increase
over highest loss

62,000 x 50% 93,000

reduce funding against deductible to 93,000 = save 57,000

workers comp 161,000 - max loss

avg loss 5 yr 104,000
highest 144,000

104,000 x 50% *over avg loss* 156,000
reduce W.C. = \emptyset

Bus Replacement/Addition

<u>Bus Replacement</u>	<u>1988</u>	<u>1990</u>	<u>1992</u>	<u>1995</u>
^{500's} 800's (1976) 20 <i>oldest bus in continuous use</i>			\$4,221,301	
700's (1980) 18			_____	\$4,398,015
Local Match @ 20%			\$ 844,260	\$ 879,603
Annual Reserves For:				
500's			\$ 120,000	
500's and 700's				\$ 172,000

Bus Additions

400's (1962) 5	\$ 600,000			
900's (1990) 10		\$1,914,442		
1000's (1995) 10	_____	_____		\$2,326,992
Local Match @ 20%	\$ 120,000	\$ 383,000		\$ 465,000
Annual Reserves For:				
400's	\$ 40,000			
400's/900's		\$ 101,000		
400's/900's/1000's				\$ 100,000

Required Combined Reserves
for Next 7 Years

261,000
\$ 216,000

Three-Year Projection

<u>REVENUES</u>	<u>85-86</u>	<u>86-87</u>	<u>87-88</u>
Payroll ¹	\$4,700,000	\$4,888,000	\$5,083,500
Passenger Fares ¹	1,379,800	1,434,992	1,492,391
Federal ²	714,800	536,200	357,600
State ¹	444,000	462,000	480,000
Other ³	<u>246,600</u>	<u>252,000</u>	<u>257,000</u>
TOTAL	\$7,485,200	\$7,573,192	\$7,670,491

EXPENSES

Operating

Personnel ¹	\$5,612,900	\$5,837,416	\$6,074,000
Materials & Supplies ¹	1,246,000	1,295,840	1,348,000
Contractual Services ¹	535,500	556,920	579,000
Contingency	<u>80,000</u>	<u>80,000</u>	<u>85,000</u>
Subtotal	\$7,474,400	\$7,770,176	\$8,083,000
Risk Management- ⁴	<u>1,000</u>	316,000	<u>329,000</u>
TOTAL	\$7,475,400	\$8,086,176	\$8,412,000

Difference
Rev./Exp.

+ \$ 9,800

- \$ 513,000

- \$ 741,500

¹ Assumes 4% inflation - current rate

² Assumes 20% reduction each year

³ Assumes 2% inflation

⁴ Computes actual costs in 1986-87, with 4% inflation following years.

*out of operational budget instead of year-end bal.
represents inc v pyrl tax a ldt + .0055?*

Reconciliation of Original Local Capital Needs

Estimate of \$170,000 to New Estimate of \$712,650

1.	Original estimate for \$8,000,000 facility	\$170,582
2.	Local share on increased cost of \$1,537,731 @ 25%	384,433
3.	Amount needed for FY 86-87 match of Section 9 other capital needs	33,000
4.	Local share grant contingency not computed FY 85-86 \$19,050 @ 25%	4,750
5.	Shift in funding from Section 9 to Section 3 to fund other capital \$416,494 @ 5%	20,825
6.	Sale of bus tax credit in FY 85-86 not included in \$712,650 estimate	<u>\$100,000</u>
7.	Rounding	<u>(940)</u>
		\$712,650



SITE STUDIES FOR LTD. OPERATIONS & ADMINISTRATION FACILITY
RECOMMENDED SITE AND PROJECT BUDGET
EXECUTIVE SUMMARY

EXISTING LTD. PROPERTY

BURLINGTON NORTHERN SITE

SOUTH GLENWOOD SITE

GLENWOOD DRIVE W. SITE



WILSON BRYAN GUNNERSON SPIDELL INC.
ARCHITECTS-ENGINEERS-PLANNERS INC. 1015 GARDEN AVENUE, EUGENE, OREGON 97403

May 1, 1985

SUMMARY & RECOMMENDATIONS

INTRODUCTION

The recommendations in this document complete a comprehensive examination of administrative and maintenance facilities required for the Lane Transit District through the year 2005. Prior work includes a forecast of transit ridership and bus fleet size, a projection of the buildings and land needed for an efficient operating base, a review of LTD's current facilities, and a thorough search for available properties. This executive summary and companion technical appendix recommend purchase of a specific site and propose a project budget.

SUMMARY OF FINDINGS: SITE SELECTION

Detailed estimates of the relative facility costs on four alternative sites were prepared. These comparative costs include long-term projections of fleet operating expenses which are not a part of the recommended capital budget for land and facilities. The project budget is calculated separately and is specific to the recommended site. The recommended sites in ascending order of development costs (cheapest first) are as follows:

1. Glenwood Drive In Site, also known as the Eugene Drive-In, near Franklin Blvd. and Glenwood Blvd.
2. South Glenwood Site, East 17th and Glenwood Blvd.
3. Burlington Northern Site, 2nd & Garfield, Eugene.
4. Existing LTD Property, 8th & Garfield, Eugene.

The sites were subjected to thorough engineering analyses to determine soil bearing and foundation designs, utility costs, traffic access, land use, and environmental concerns. Based on the findings of these reports, detailed estimates were prepared and subsequently combined with value range appraisals of land, probable consultant and municipal fees, and various other costs. Differences in bus fleet travel times and "deadheading" costs between the four alternative locations were compared over a 20 year operating period.

A spread sheet which itemizes the value of each of these considerations and compares total comprehensive costs follows. See Table 1, COMPARATIVE COSTS. Detailed descriptions of each site are also included.

SITE RECOMMENDATIONS

1. Proceed with negotiations for the two highest ranking locations: the Glenwood Drive In and the South Glenwood Site.
2. Obtain an option on the site for which negotiations are successful.
3. Authorize grant application for federal funds and authorize purchase of site upon grant approval.

SUMMARY OF FINDINGS: BUDGET

The proposed project budget includes estimated values for land, site improvements, buildings, equipment, business relocation, consultant and governmental fees, moving, and LTD staff costs. Estimates used to compare relative site development costs were also used to produce the project budget. Long-term fleet operating costs are omitted.

Three alternative budgets are proposed. Under Budget Option A, property now owned by LTD would be held and leased until such time as the real estate market improves or funds are required for future expansion, or until such time as fleet size and ridership justify a satellite transit operating facility. Budget Option B indicates the net facility cost should LTD sell its existing property to offset construction costs. Under current market conditions, the likelihood of selling this property at reasonable value is difficult to guarantee. Since the new facility would not be occupied until 1988, it is possible that the market for commercial and industrial land could improve in the next three years. The sale of existing transit district property also raises questions concerning the funding and grant application process. First, roughly 80% of the land value would be returned to the Urban Mass Transit Administration (UMTA), and it is not certain that these funds could be applied to construction costs. Second, funds from the sale would be needed during construction and prior to LTD's move to the new location. For these reasons, Option B is not recommended.

Budget Options 1, 2, and 3 pertain to the possible phasing of construction over time. These can be summarized as follows:

- Option 1: Single phase - Build complete facility now for year 2005 needs.
- Option 2: Two phase - Construction facility now for year 1995 needs. Under a later Phase II, add building and parking for the year 2005.
- Option 3: Two phase - Provide buildings now for the year 2005 needs. Buy equipment and provide parking for the year 1995. Under a later Phase II, acquire additional equipment and provide added parking for the year 2005.

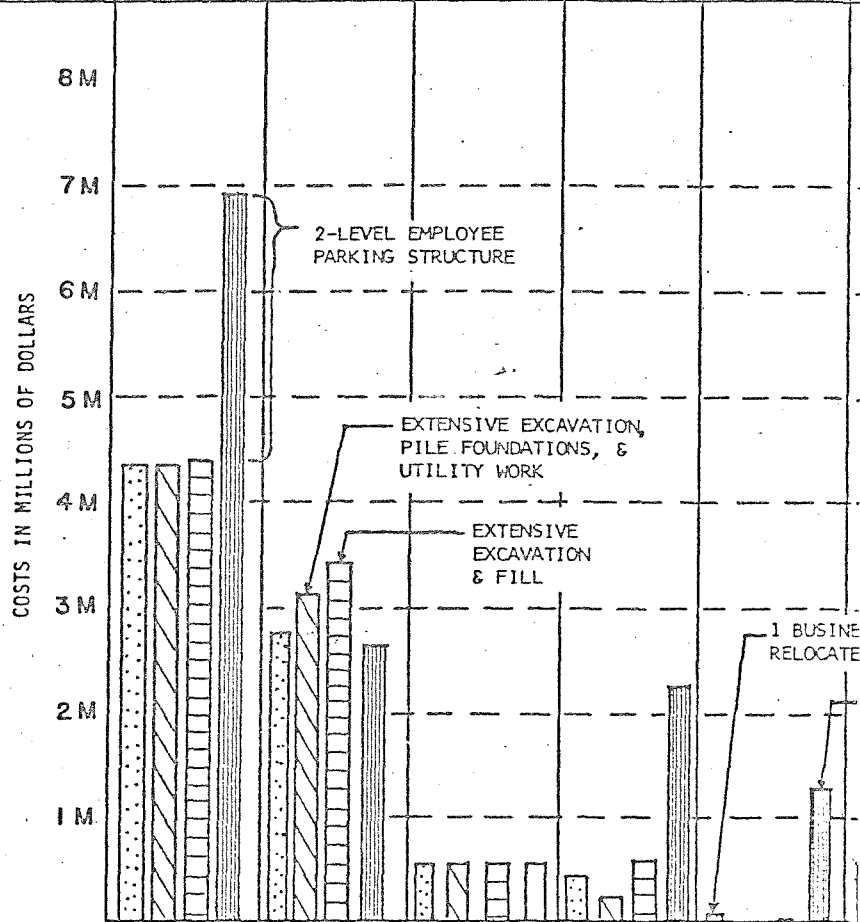
These options are discussed under CONSTRUCTION PHASING. The third option is recommended, since it reduces the long-term construction cost of the new facility. A detailed project budget is given in Table 2, PROJECT BUDGET.

BUDGET RECOMMENDATIONS

1. Adopt a project budget; authorize grant application for federal funds.
2. Select Budget Option 3-A.

COMPARATIVE SITE COSTS : TABLE I

SITE	BUILDINGS	SITE WORK	FURNISH. & EQUIP.	LAND	BUSINESS RELOCATE
1 GLENWOOD DRIVE IN	4,303,824	2,772,866	509,030	410,000	85,000
2 SOUTH GLENWOOD	4,303,824	3,190,306	509,030	298,580	---
3 BURLINGTON NORTHERN	4,334,532	3,467,838	509,030	547,000	14,000
4 EXISTING LTD	6,920,447	2,653,922	509,030	2,267,203	1,294,000



DESCRIPTION OF COST COMPONENTS

BUILDINGS

Includes basic building and fixed equipment cost without site work or special foundation adaptations to the site. These costs are constant on all sites except for the LTD site where an employee parking structure is required.

SITE WORK

Includes building foundation adaptations, excavation, earthwork, fill and site utilities. Costs vary widely between alternative sites.

FURNISHINGS AND EQUIPMENT

Includes maintenance equipment and furnishings for both buildings. Existing LTD equipment and furnishings are reused where serviceable.

LAND

Upper range of estimated appraised value. Values established based on comparable worth as a value range.

BUSINESS RELOCATION

Estimated costs based on equipment replacement in some cases.

CONSULTANT FEES

Architectural and engineering attorney fees, surveying construction and other

GOVERNMENTAL FEES

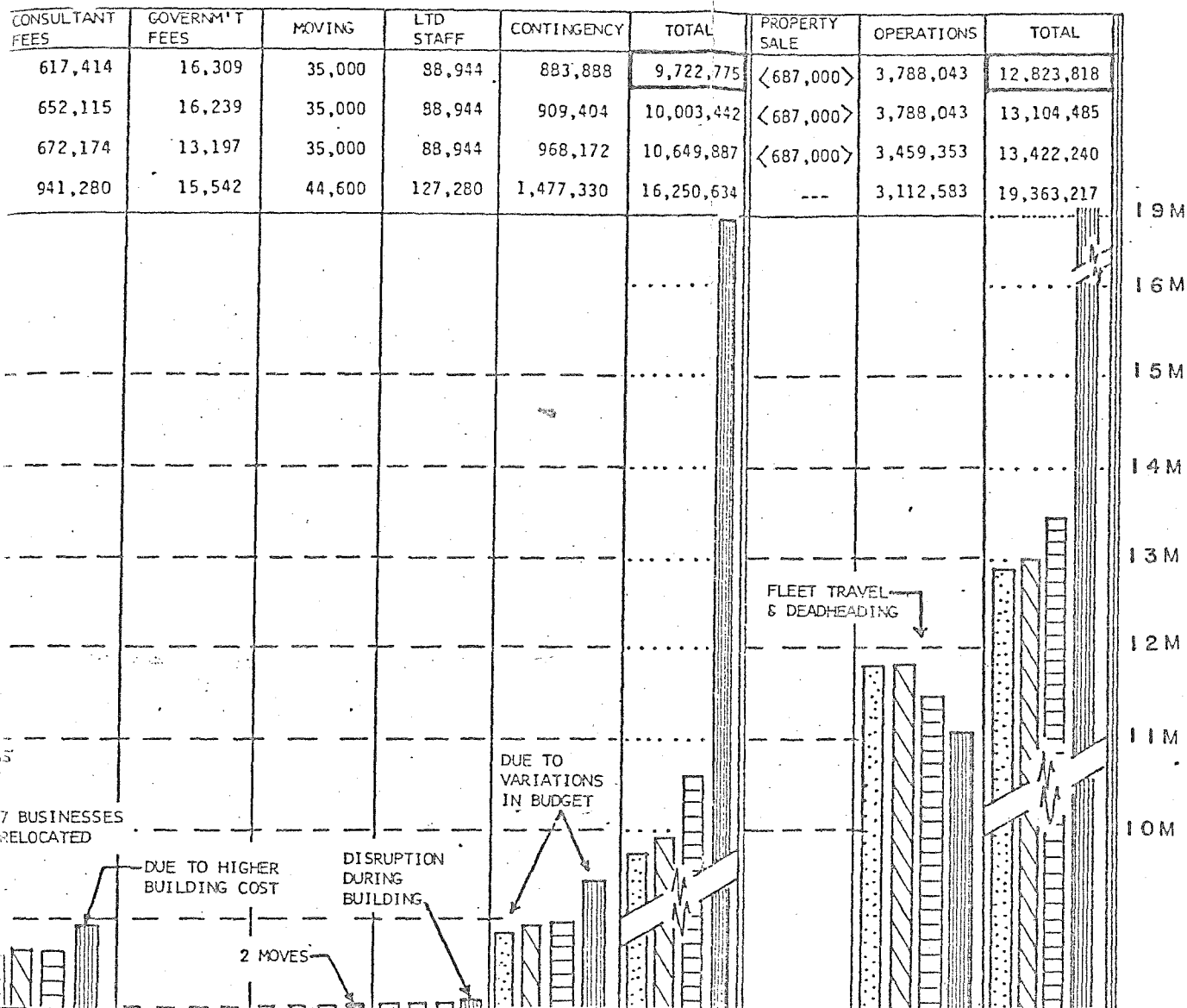
Building permits and other

MOVING

Private moving company

LTD STAFF COSTS

Includes project coordination construction.



on federal relocation requirements. Includes moving, and relocation and allows for possible court action

engineering fees, appraisal and other land purchase consultants, g and soils tests, owners representative during

other municipal fees.

costs.

ation and administration during design and

CONTINGENCY

10% is included to cover possible inflation, unanticipated costs, and other variables.

TOTAL BUDGET

Total facility cost carried over to PROJECT BUDGET, TABLE 2.1

PROPERTY SALE

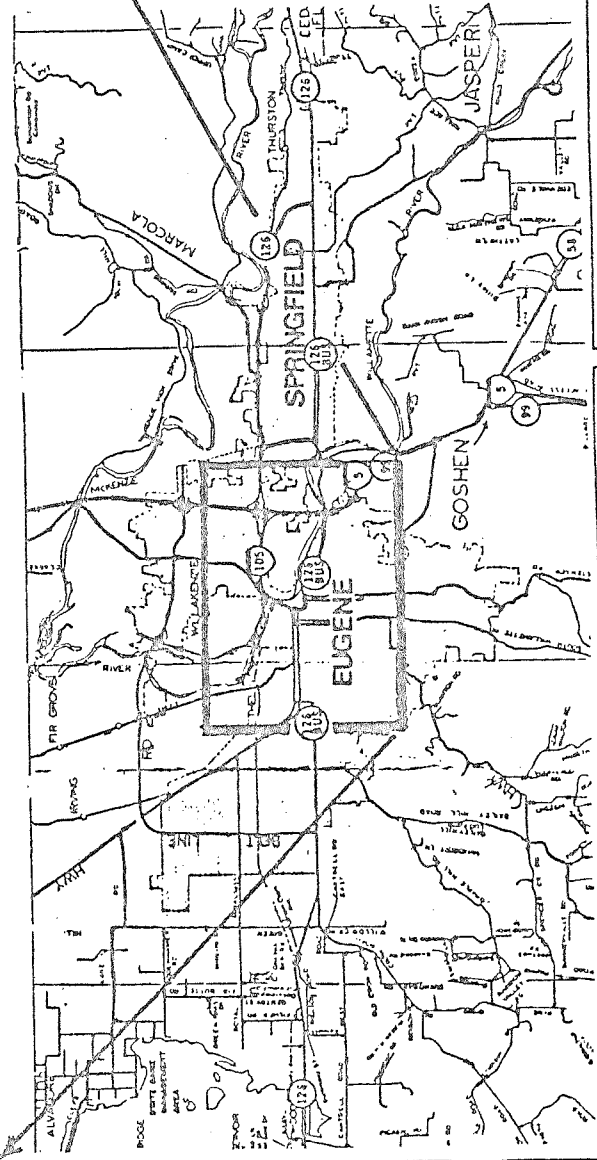
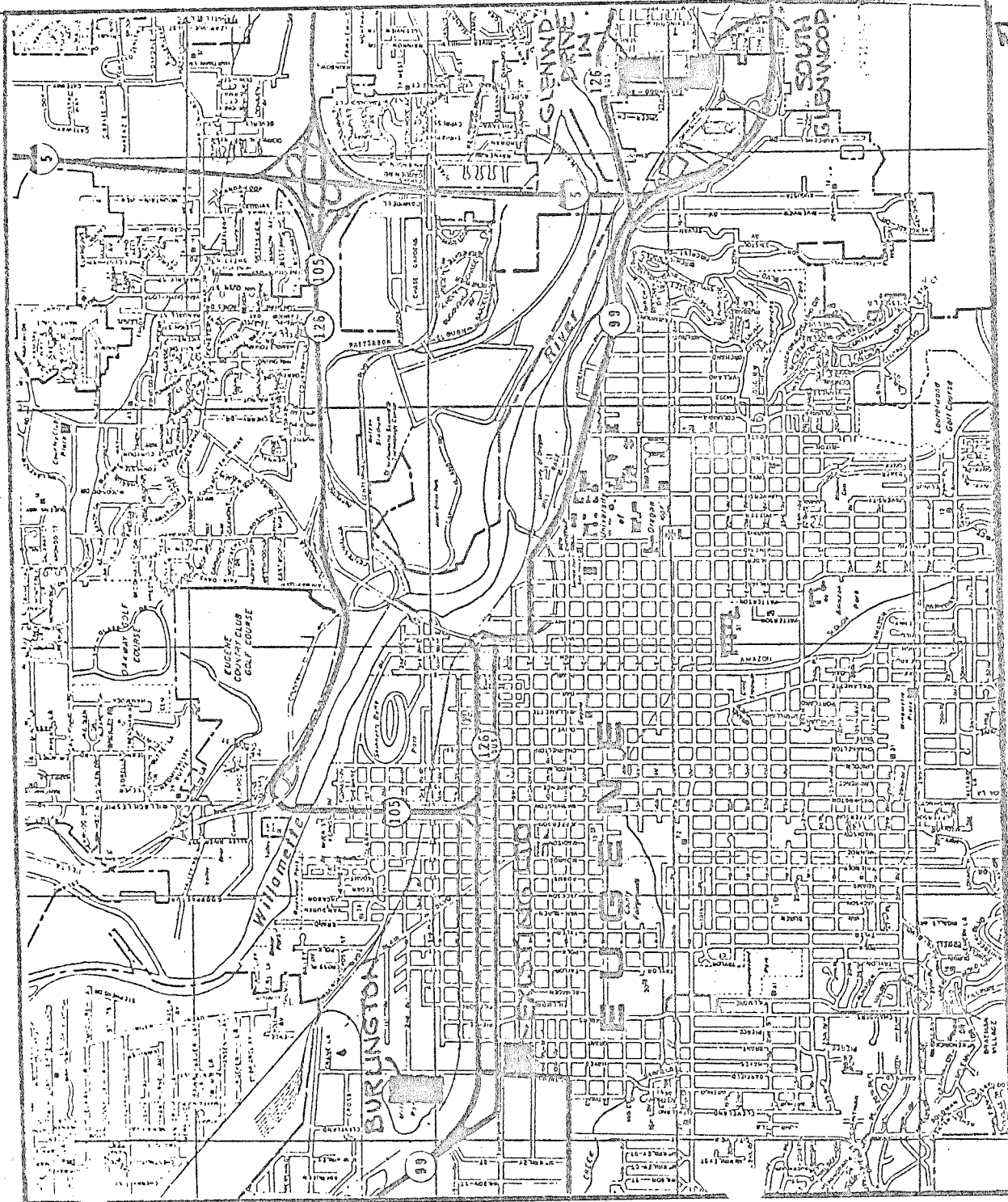
Sale of existing LTD owned property, approximately 4.14 acres.

OPERATIONS

Estimated 20 year fleet operating costs for "deadheading", road service calls, and driver shift changes. Amount shown is discounted at 3%.

COMPARATIVE TOTAL

Costs for construction and operations over 20 years.



DATE	1
BY	1
CHECKED	1
DATE	1
BY	1

MAP NO. 1
SITE LOCATIONS

WILSON BRYANT GUNDERSON SEIDER PC
ARCHITECTS
1815 GARDEN AVENUE
EUGENE, OREGON 97403
PLANNERS
503.342.7291

4/30/85



PROJECT BUDGET : TABLE 2

COST ANALYSIS - GLENWOOD DRIVE-IN SITE

I. FACILITY		
A. BUILDING & SITE WORK, CONSTRUCTION CONTRACT		
1.	MAINTENANCE BUILDING	\$2,591,000
2.	OFFICE BUILDING	1,589,992
3.	BREEZEWAY	122,832
4.	EMPLOYEE PARKING STRUCTURE	-0-
5.	STANDARD SITE WORK	1,331,898
6.	TOPOGRAPHIC & GEOTECHNICAL (EARTHWORK)	81,409
7.	UTILITIES	302,900
8.	FUEL BUILDING	189,000
9.	WASH BUILDING	68,000
10.	STORAGE AREA	1,200
11.	SITE FENCING	7,000
12.	EQUIPMENT, CONTRACTOR INSTALLED	791,459
TOTAL:		\$7,076,690
B. FURNISHINGS & EQUIPMENT, SEPARATE CONTRACT		
1.	MAINTENANCE BUILDING	\$ 121,766
2.	OFFICE BUILDING	300,664
3.	PHONE & COMMUNICATIONS	86,600
TOTAL:		\$ 509,030
C. OFF-SITE TRAFFIC ACCESS		
1.	INTERSECTION IMPROVEMENTS	\$ -0-
TOTAL:		\$ -0-
D. LAND		
1.	LAND PURCHASE PRICE	\$ 410,000
2.	ROAD RIGHT-OF-WAY ACQUISITION	-0-
TOTAL:		\$ 410,000
E. BUSINESS RELOCATION		\$ 85,500
TOTAL:		\$ 85,500
F. CONSULTANT FEES		
1.	ARCHITECTURAL & ENGINEERING	\$ 531,000
2.	LAND APPRAISAL	7,000
3.	ATTORNEY FEES	10,000
4.	LAND PURCHASE REPRESENTATIVE	1,750
5.	TITLE SEARCH	160
6.	SOILS TESTING & OBSERVATION	5,000
7.	SURVEY, BOUNDARIES & TOPO	7,004
8.	MATERIAL TESTING LAB, ALLOWANCE	3,000
9.	OWNER'S CONSTRUCTION REP.	52,500
TOTAL:		\$ 617,414

PROJECT BUDGET : TABLE 2

COST ANALYSIS - GLENWOOD DRIVE-IN SITE

<p>G. GOVERNMENTAL FEES & PERMITS</p> <p>1. BUILDING PERMIT, CITY</p> <p>2. ANNEXATION & SITE REVIEW, CITY</p> <p>3. SYSTEMS DEVELOPMENT CHARGES, CITY</p> <p>4. PARKING PERMIT, LRAPA</p> <p>5. STREET VACATION, CITY OR COUNTY</p> <p style="text-align: right;">TOTAL:</p>		<p>\$ 12,822</p> <p>3,112</p> <p>-0-</p> <p>375</p> <p>-0-</p> <hr/> <p>\$ 16,309</p>
<p>H. MOVING & RELOCATION</p> <p>1. COMMERCIAL MOVER (NO UNPACKING)</p> <p>2. COMPUTER EQUIPMENT MOVE</p> <p>3. TEMPORARY PARKING</p> <p style="text-align: right;">TOTAL:</p>		<p>\$ 30,000</p> <p>5,000</p> <p>-0-</p> <hr/> <p>\$ 35,000</p>
<p>I. LTD STAFF & ADMINISTRATIVE COSTS</p> <p>1. DISRUPTIONS DURING MOVE</p> <p>2. DISRUPTION DURING CONSTRUCTION</p> <p>3. DESIGN & CONSTRUCTION ADMINISTRATION</p> <p style="text-align: right;">TOTAL:</p>		<p>\$ 3,144</p> <p>-0-</p> <p>85,800</p> <hr/> <p>\$ 88,944</p>
SUBTOTAL:		\$8,838,887
J. CONTINGENCY @ 10%		883,888
YEAR 2005 TOTAL FACILITY:		\$9,722,775

PROJECT BUDGET TABLE 2

GLENWOOD DRIVE IN SITE

BUDGET OPTION 1:

Construct facility as programmed for the year 2005.

Total Facility Cost	\$9,722,775
Less Sale of Existing LTD Land	<u>687,000</u>
Net Facility Cost	\$9,035,775

BUDGET OPTION 2:

Construct facility in 1985 for program needs until 1995. Budget and fund Phase II construction later.

Total Facility Cost:	\$9,722,775	
Less Phase II	<u>376,863</u>	
Total Facility Cost, Option 2-A	\$9,345,912	= \$9,345,912
Less Sale of Existing LTD Land		<u>687,000</u>
Net Facility Cost, Option 2-B		\$8,658,912

BUDGET OPTION 3:

Construct buildings for the year 2005. Build bus and employee parking for the year 1995. Budget and fund Phase II construction later.

Total Facility Cost	\$9,722,775	
Less Phase II	<u>185,044</u>	
Total Facility Cost, Option 3-A	\$9,537,731	= \$9,537,731
Less Sale of Existing LTD Land		<u>687,000</u>
Net Facility Cost, Option 3-B		\$8,850,731

DISCUSSION OF SITES

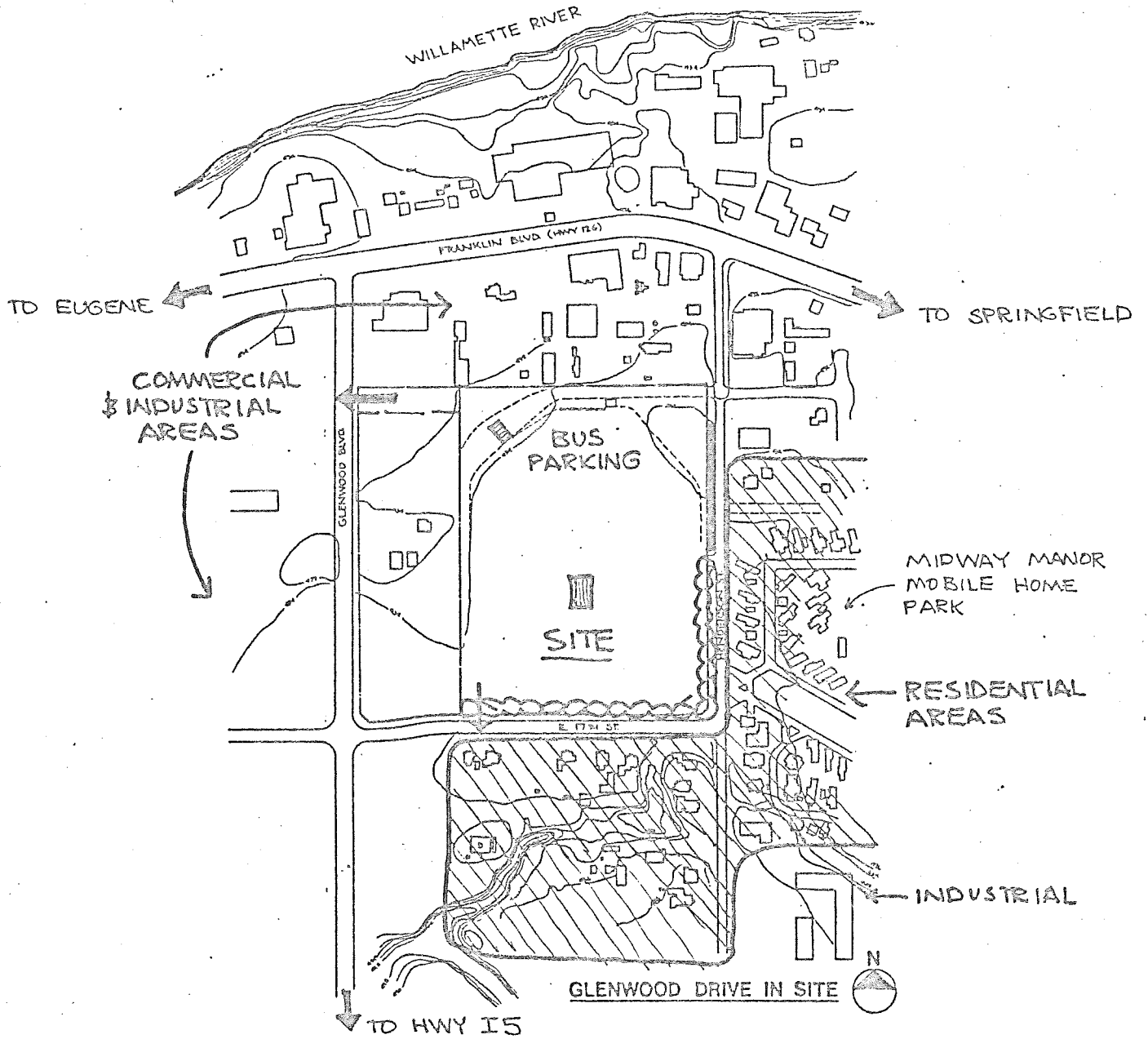
GLENWOOD DRIVE IN SITE

The Glenwood Drive In Site is the lowest cost location, and negotiation for the purchase of this property is recommended. The site lies east of Eugene in the community of Glenwood between Glenwood Blvd. and Henderson St., near Franklin Blvd. It is now occupied by the Eugene Drive-In and is owned by the Moyer family.






The Glenwood area has been the focus of recent community action and planning activities. Located midway between Eugene and Springfield, it is central to the metro area. The site would allow excellent access to Interstate 5 via Glenwood Blvd. and is near the University of Oregon and Lane Community College, which are the sources of a large segment of LTD's ridership. Recent plans proposed by the University of Oregon and Wildish Company for high tech and recreational developments suggest a potential for growth in the area. Although predominantly in Lane County, recent planning studies and action have authorized annexation to the city of Eugene as warranted. The site is zoned for industrial use and would be annexed in the I-2 Light Industrial category. This use also conforms to the Metro Area General Plan. The availability of city services, excellent arterial access, and central location are attractive advantages.

The property is graveled, level, and offers the best conditions for foundations and pavements of any alternative site. Residential areas border the parcel on the south and east. Particular care should be exercised in site planning to reduce noise and traffic impacts on these areas. The Glenwood Community Organization would be a good forum for discussions of such issues.

The following maps diagram existing conditions and site planning concerns.



SYMBOLS:

-  Bus access
-  Employee parking access
-  Noise barrier
-  Visual barrier
-  Existing building

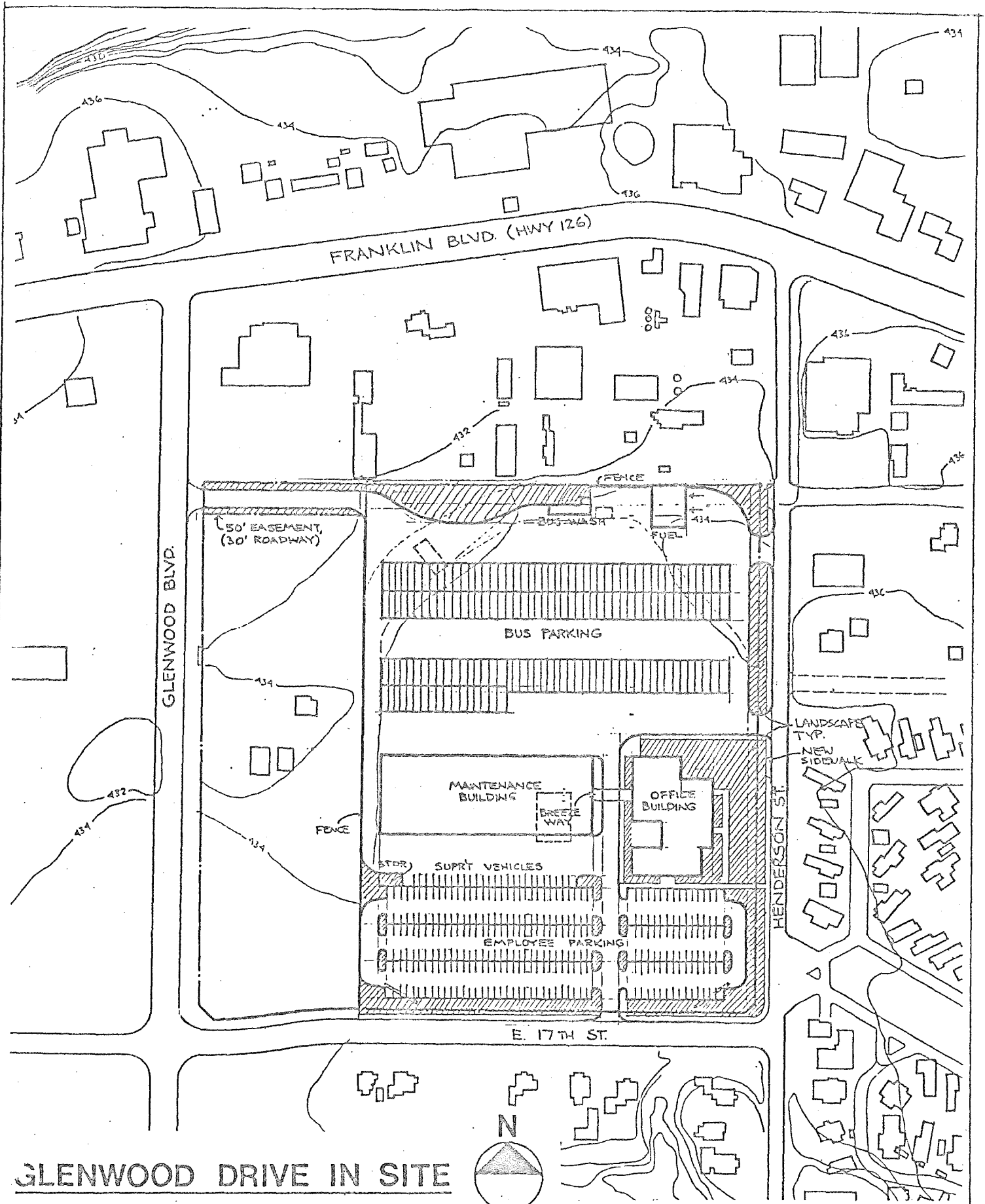
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EXECUTIVE SUMMARY
 MAP NO. 2

JOB NO :
 DRAWN :
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 DATE :
 SURVAY :





GLENWOOD DRIVE IN SITE

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EXECUTIVE SUMMARY
 MAP NO. 3

DATE :
 SCALE :
 SHEET :
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SOUTH GLENWOOD SITE

Located immediately south of the Glenwood Drive In site, this location offers many of the same advantages. The property is in two ownerships: Dale Fischer and the Spicer family, respectively. The land is unoccupied and slopes gradually to the north. It is 14.45 acres in area. The vacation of Henderson St. along its east edge may be necessary pending more final site design. A residential area borders the property on the northeast.

While land costs are the lowest of any alternative, existing soil bearing conditions were the primary expense over the other Glenwood site. Piling would be required to support building foundations. Additional earthwork and utility costs result from partial filling of a slough and extension of a 6 ft. storm sewer line that diagonally cross the parcel. Another significant expense is the shape of the property and the slope of Glenwood Blvd. as it rises to a bridge over the railroad tracks to the south. These conditions require a longer on-site driveway, extending north to 17th St.

The retention of a portion of the slough with some landscaping and large existing trees along its bank could allow an attractive environment around the site entrance and office building, while also creating a buffer area between bus traffic and residences. Improvement to the remaining slough area would constitute mitigation should the waterway be classified a "wetlands" under federal environmental requirements. The slough is not believed to fall into the impacted wetlands category at this time.

The bulk of the property is within the Eugene city limits. Only the northern "panhandle" extending to 17th St. would require annexation. Interestingly, a property owned by Mr. Fischer adjoining the main property to the east across Henderson St. was recently annexed with favorable findings from city planning staff.

This site and the Glenwood Drive In property are considered equal in fleet operating costs, based on measured bus travel and "deadheading" time.

TO FRANKLIN BLVD

GLENWOOD BLVD

EAST 17th ST

E 19th ST

JUDKINS ST

SITE

BUS PARKING

RESIDENTIAL AREAS

EXISTING SLOUGH TO REMAIN TO BE FILLED

COMMERCIAL & INDUSTRIAL AREAS

TO HWY I-5

SOUTH GLENWOOD SITE



SYMBOLS:



Bus and employee access



Noise barrier



Visual barrier

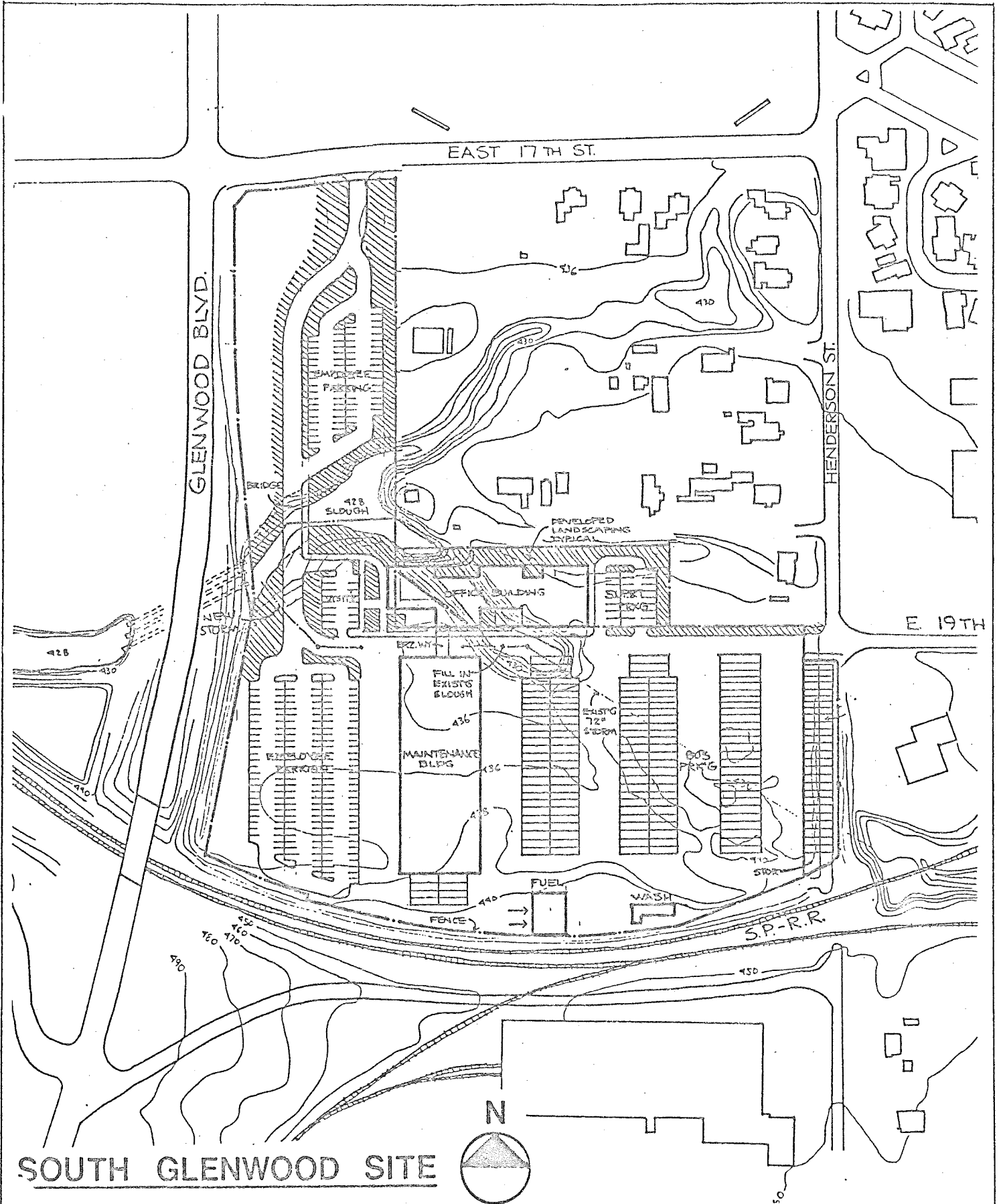
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EXECUTIVE SUMMARY MAP NO. 4

APP NO :
GRADE :
ENVOYED :
DATE :
REVISED :





SOUTH GLENWOOD SITE

4/30/85

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EXECUTIVE SUMMARY
 MAP NO. 5

JOB NO. :
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 DATE :
 SCALE :



BURLINGTON NORTHERN SITE

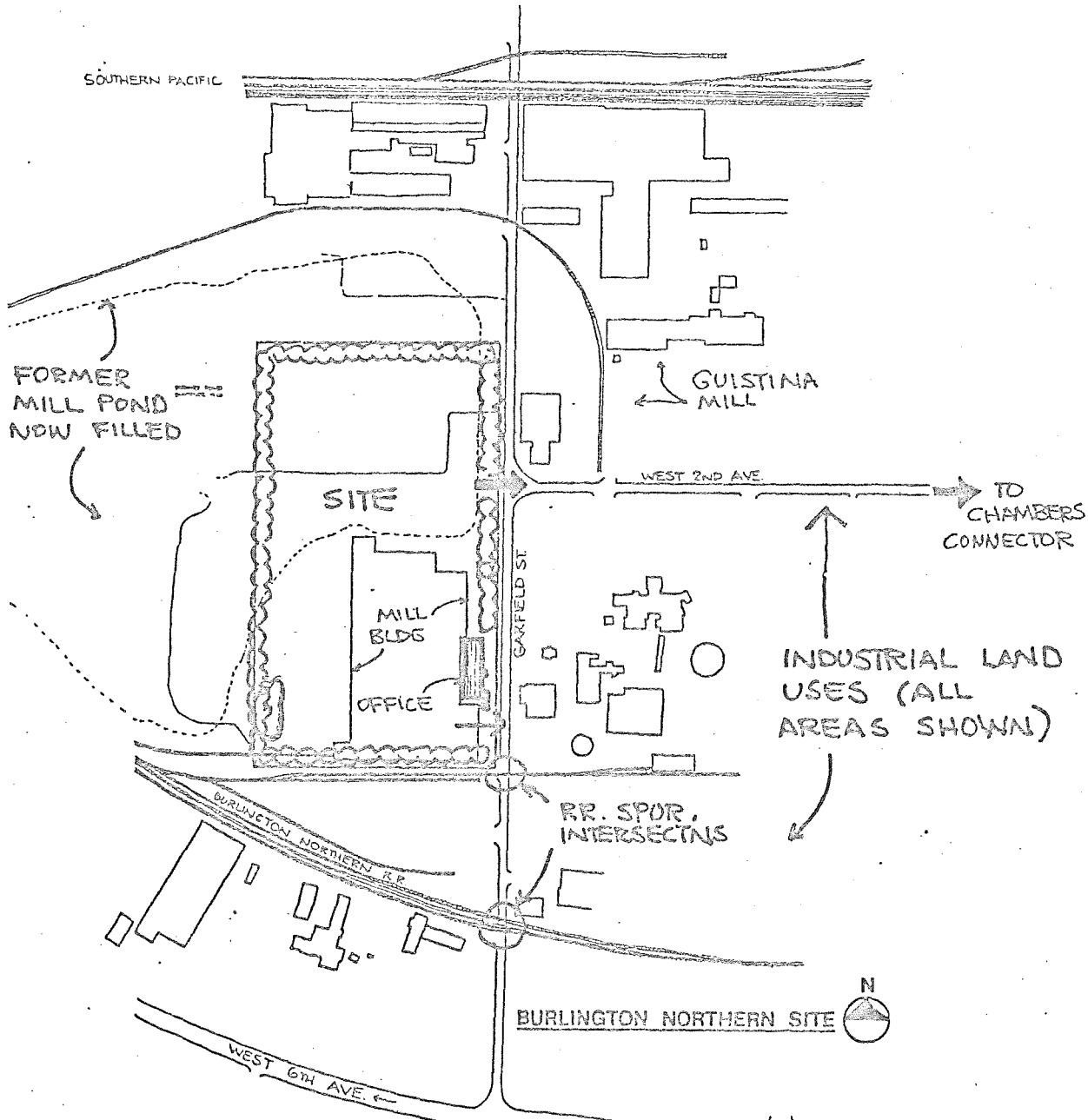
This property was formerly a U.S. Plywood mill occupied by a large wood frame mill building and log pond. Although largely vacant at present, it is currently leased by Burlington Northern Railroad to Timberlane Lumber Co. Relocation of Timberlane's offices is anticipated under federal business relocation requirements. The site is located in west Eugene just north of LTD's existing property and fronts on Garfield St. It is 12.27 acres in area and is in the city of Eugene's Heavy Industrial Zone I-3. The site also conforms to Metro Area General Plan land use.

The Burlington property is ranked as the third best. The primary findings which resulted in the site's higher cost are the soil bearing conditions and land value. Geotechnical tests indicate that removal of 2 ft. of existing soft fill material would be required over most of the site. Additional excavation would be required in portions of the former log pond. Structural fill would be imported for a minimum depth of 2 ft. to support pavement loads. The cost of this additional earthwork and the higher land values, when compared to the Glenwood sites, produced the recommended ranking.





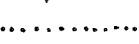
Traffic access and related fleet operating costs are better for this site than for either Glenwood location. Although intersection improvements would be required, tentative discussions with city traffic engineering staff suggest that these are minor and could be funded by the city. The recently approved widening of 6th and 7th Avenues and the construction of the Chambers Connector would provide good traffic access. Scheduling of these projects coincides with LTD's proposed construction project. Negotiations with Burlington would be required to restrict train traffic on a spur crossing Garfield. Environmental considerations are favorable, particularly since the land is bordered by wood products industries or railroad tracks on all sides.

The existing mill building is 135,500 sq. ft., with additional office space of 2,500 sq. ft. The condition of both buildings is such that they are not suitable for LTD's use. The mill is of questionable structural condition with a wood frame floor. With bus wheel loads of 8,000 lbs. per tire, use for bus parking is not considered feasible. In addition, lifetime maintenance costs would be high. To meet current building codes, fire walls would be required dividing the building into areas of 15,000 sq. ft. each.

The surrounding mills generate high dust levels. Pavement of the site and perimeter trees to act as wind breaks are measures required to reduce potential added bus cleaning costs.



SYMBOLS:

-  Bus access point
-  Employee access point
-  Wind barrier (to reduce dust)
-  Existing office building occupied
-  Proposed bikeway

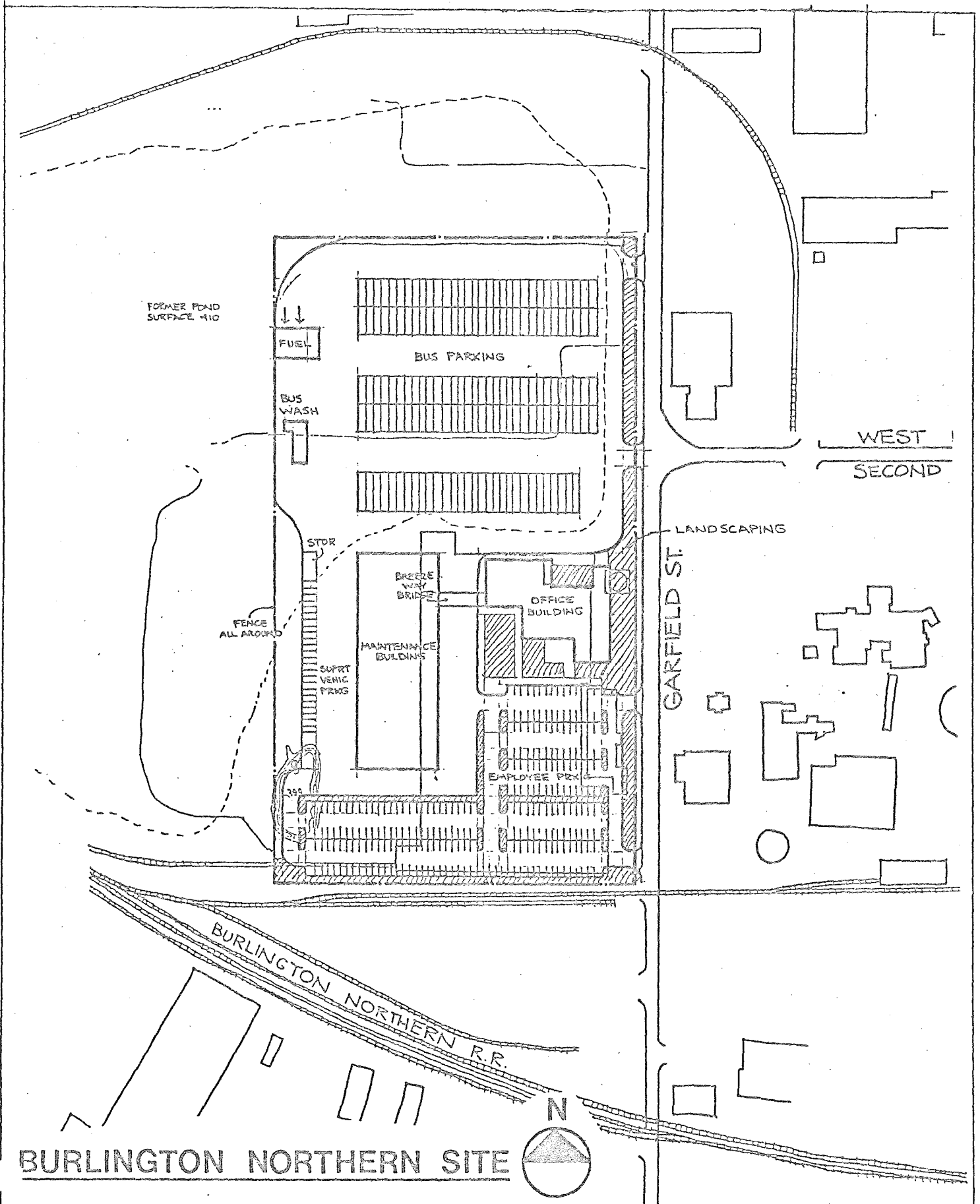
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EXECUTIVE SUMMARY
 MAP NO. 6

JOB NO. :
 DRAWING :
 ENGINEER :
 DATE :
 SURVEYOR :





BURLINGTON NORTHERN SITE



EXISTING LTD PROPERTY

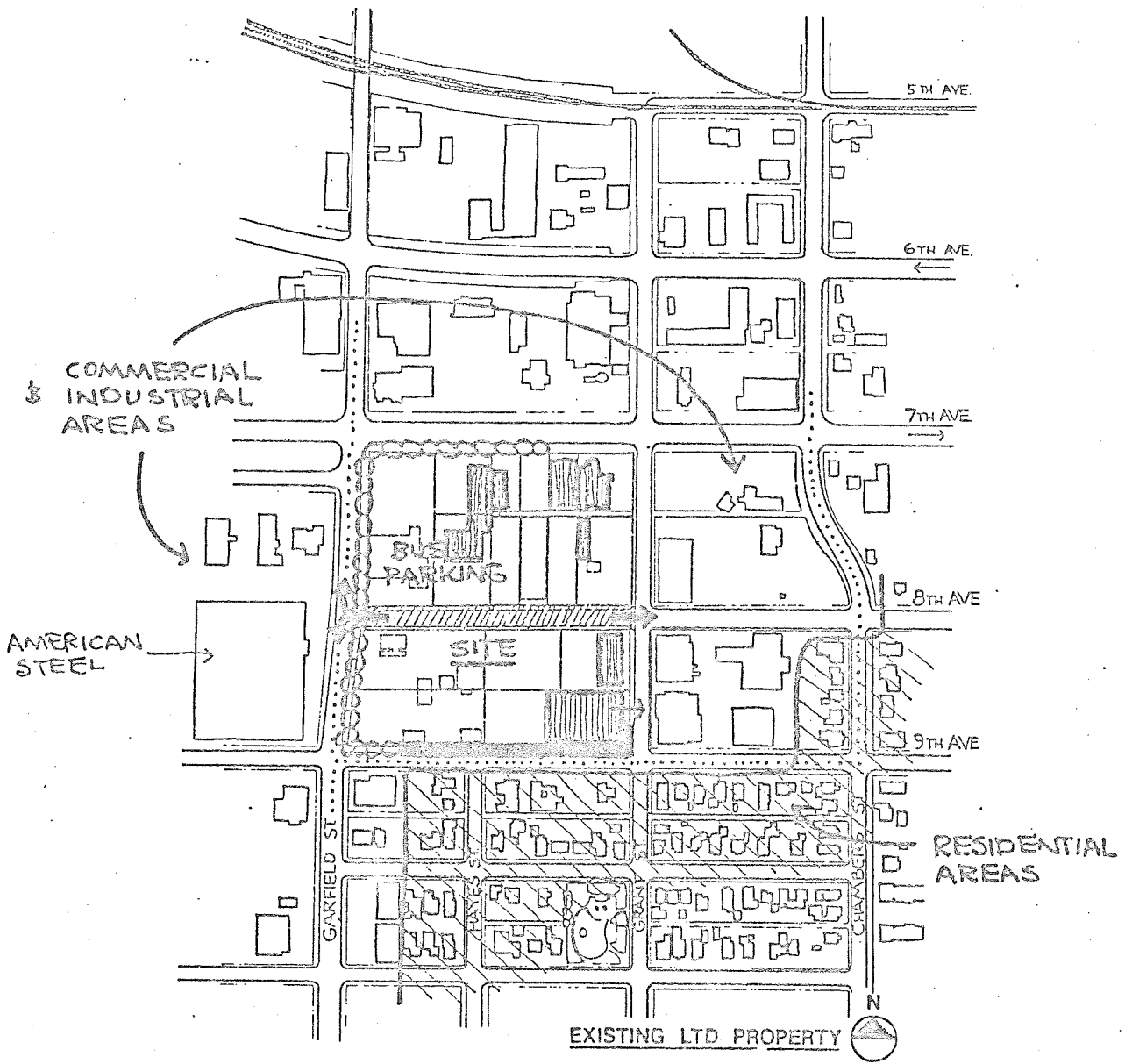
LTD's present site is located at 8th and Garfield St. in west Eugene. The transit district now owns land on both sides of 8th totaling 4.14 acres. Acquisition of adjoining property and closure of 8th St. is required to produce a site of 10.7 acres. This total is below the 11.5 acres required for future facility size.

The combination of crowded site layout and the capital and political costs of relocating seven existing businesses result in the extremely high cost of development. The costs of business relocation required under federal regulations add nearly \$1 million to the total budget. The shortage of land requires construction of a two-level employee parking garage adding approximately \$2 million. These factors, when combined with the high land purchase costs (not included in business relocation), produce a high range comparative cost of over \$19 million. With a value this high, even deletion of the parking structure and purchase of additional land on another block would not result in a different ranking. For these reasons, the site is not considered feasible.








Construction of new facilities on the property would require two separate construction contracts. The first would demolish buildings on the east side of the site allowing LTD to continue operations from its present buildings. After occupancy of new maintenance, office and parking structures, LTD's existing buildings would be demolished and the area paved for bus parking. The disruption to transit operations for over two years of continued construction results in a significant cost.

Existing buildings on the property cannot be reused due to site layout and construction sequence requirements. The "welfare" office building and former Caruthers Shop building are too close together to allow adequate bus turning radius. Neither Brad's Body Shop nor Steiner Corp. buildings afford adequate headroom for bus maintenance. Reuse of the Caruthers Shop may be feasible.

Advantages for the present site include the lowest long-term operating cost of any site, relatively good traffic access, and established relationship with the surrounding community. The 6th-7th Avenue widening and proposed Chambers Connector will substantially improve traffic access in the future.



SYMBOLS:

-  Bus access point
-  Employee parking access point
-  Noise barrier
-  Visual barrier
-  8th Ave. closure
-  Businesses to be relocated
-  Existing or proposed bikeway, on street

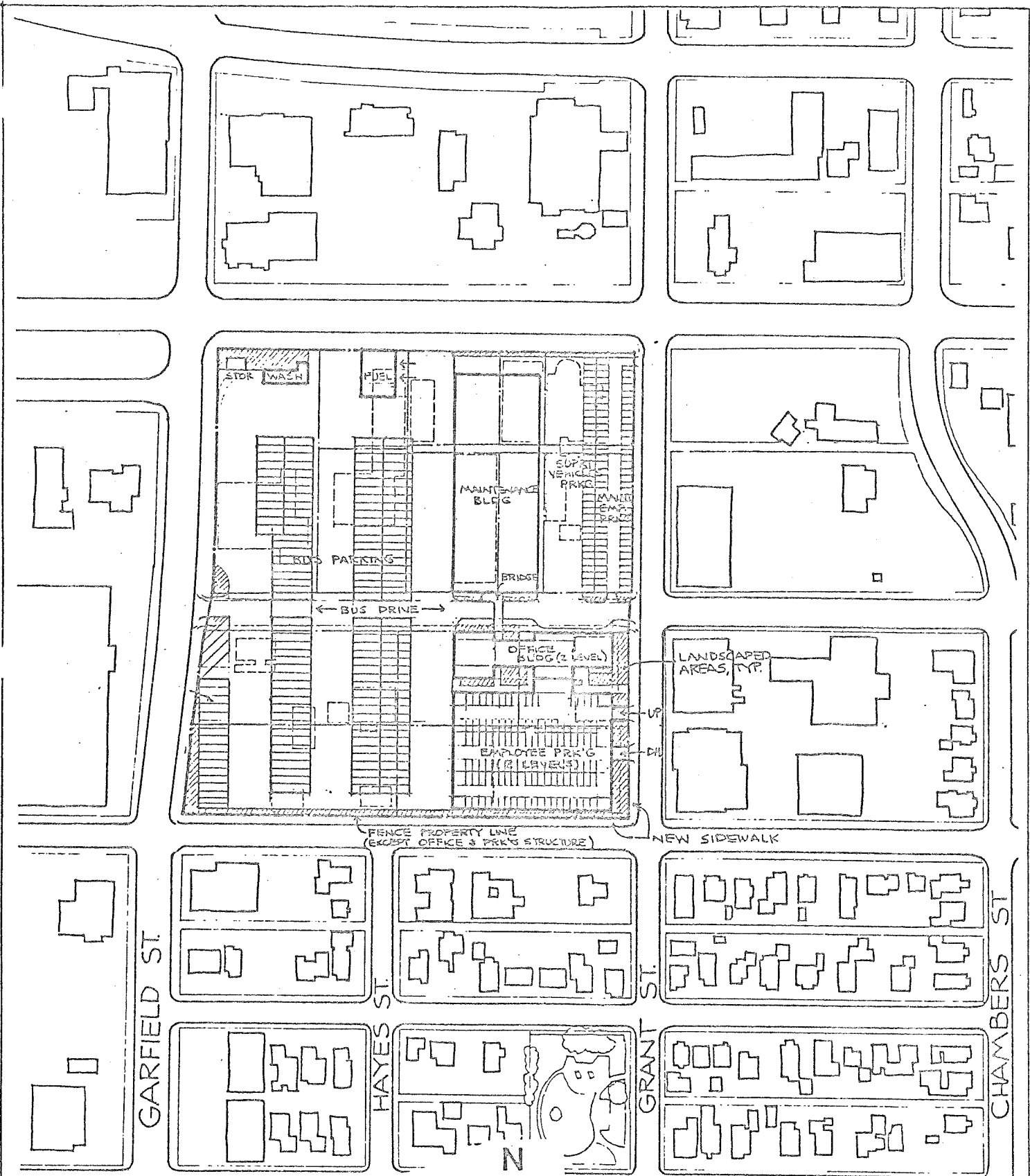
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EXECUTIVE SUMMARY
 MAP NO. 8

JPM ED :
 GRAVE :
 PROCTER:
 BATT :
 REYNOLDS :





EXISTING LTD PROPERTY



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EXECUTIVE SUMMARY
 MAP NO. 9

ADD RD :
 BOLINA :
 CHURCH :
 DATE :
 APPROVED :



CONSTRUCTION PHASING

GENERAL

It is the purpose of this section to examine whether to build the LTD Operations & Administration Facility in one phase as programmed for the year 2005, or to build for immediate needs only and plan for later additions. Several issues must be considered in this decision. These include:

1. Construction & Operating Costs
2. Investment Analysis
3. Funding & Political Considerations

BACKGROUND

The Forecast of Fleet Size developed by ECO Northwest and the Facilities Program developed by Fleet Maintenance Consultants and WBSG Architects are summarized below. Each of these studies provides recommended facilities and personnel for the years 1990 and 2005. In addition, space requirements up to the year 2000 have been developed from the programs. These are compared to existing (1985) LTD facilities and fleet. This information is listed in the table below.

FACILITY PROGRAM SUMMARY - INCREMENTS OF GROWTH

Year	1985	1990	1995	2000	2005	Site Maximum Capacity
Fleet Size (No. of Buses)						
Active Fleet	70 ¹	85	94	106	120	160
Total Bus Parking	89 ¹	100	110	122	136	
Personnel (Fulltime Positions)						
Administration	24.1	31.0	35.0	38.0	41.5	Not
Drivers	114.0	160.0	179.0	198.0	210.0	Calculated
Maintenance	47.0	55.5	62.0	69.0	76.0	
Total Personnel:	186.1	247.5	276.0	305.0	328.5	
Facilities (Square Ft.)						
Administration	8,301 ²	20,288	21,007	21,752	22,694	22,694
Maintenance	17,620	42,317	46,745	46,745	49,385	49,385
Parking	154,317 ³	272,250	309,111	338,712	361,828	431,189
Total Sq. Ft.:	180,238	334,855	376,863	407,209	433,902	503,268
	4.14 acres	7.7 acres	8.7 acres	9.3 acres	10.0 acres	11.5 acres

¹Does not include flexible buses to be sold.

²Includes 700 sq. ft. temporary office trailer.

³Does not include temporary leased bus parking, 1/2 acre.

Detailed listings of building and parking areas are provided in the two tables which follow.

PHASED CONSTRUCTION

	Add in 1990 for 1990-2005	Add in 1995 for 1995-2005	Add in 2000 for 2000-2005
Office Building			
Department of Admin. Services			
Support Facilities: Conference/Audit	371 s.f.		
Finance Division: Accounting Clerk	99		
Computer Division: Computer Super-Office	168	168 s.f.	
Personnel Division: Clerical	176	176	176 s.f.
Department of Systems Development			
Planning Division: Service Analyst	174 s.f.	174 s.f.	174 s.f.
Clerical	153	153	
Conference	198	198	198
Marketing Division: Service Rep. (temp. graphics)	0		
Graphic Artist	357	357	
Media Lab	140	140	140
Operations Department			
Risk Management Division: Claims Manager	168 s.f.	168 s.f.	168 s.f.
Clerical	183		
Transportation Division: Systems Supt.	0		
Field Superintendent	0		
SUBTOTAL: OFFICE BUILDING	2,187 s.f.	1,534 s.f.	856 s.f.
CONTINGENCY @ 10%	219	153	85
TOTAL OFFICE BUILDING:	2,406 s.f.	1,687 s.f.	942 s.f.
Maintenance Building			
Department of Operations			
Maintenance Division: Running Repair Bay -			
(Standard Bus)	(2) 2,400 s.f.	(1) 1,200 s.f.	(1) 1,200 s.f.
(Artic Bus)	(1) 1,600		
Inspection Stall	(1) 1,200	(1) 1,200	(1) 1,200
Parts Storeroom	1,225		
SUBTOTAL: MAINTENANCE BUILDING¹	6,425 s.f.	2,400 s.f.	2,400 s.f.
CONTINGENCY @ 10%	643	240	240
TOTAL MAINTENANCE BUILDING:	7,068 s.f.	2,640 s.f.	2,640 s.f.
Total Deferred to Second Stage			
OFFICE BUILDING:	2,406 s.f.	1,687 s.f.	942 s.f.
MAINTENANCE BUILDING:	7,068	2,640	2,640
	9,474 s.f.	4,327 s.f.	3,582 s.f.

¹FMC Program indicates that 300 s.f. in major component rebuild and 100 s.f. in minor component rebuild could also be deferred. It is not reasonable to add increments this small.

PHASED CONSTRUCTION

PARKING & CIRCULATION - INCREMENTS OF GROWTH

Total Fleet Size	Year 1990 100 Buses	Year 1995 110 Buses	Year 2000 122 Buses	Year 2005 136 Buses	Site Max. 160 Buses
Bus Parking					
Standard 12'x45' = 540 s.f.	(95) 51,300	(104) 56,160	(112) 60,480	(111) 59,940	(130) 70,200
Artic 12'x65' = 780 s.f.	(5) 3,900	(12) 9,360	(20) 15,600	(25) 19,500	(30) 23,400
Support Vehicles @ 400 s.f.	(12) 4,800	(15) 6,000	(17) 6,800	(20) 8,000	(27) 10,800
Employee Parking*					
Maintenance @ 350 s.f.	(34) 11,900	(36) 12,600	(38) 13,300	(40) 14,000	(57) 19,950
Operators @ 350 s.f.	(114) 39,900	(132) 46,200	(150) 52,500	(160) 56,000	(210) 73,500
Staff @ 350 s.f.	(38) 13,300	(40) 14,000	(42) 14,700	(48) 16,800	(62) 21,700
Visitors @ 350 s.f.	(10) 3,500	(10) 3,500	(12) 4,200	(15) 5,250	(20) 7,000
Bus Circulation					
Parking Area @ 650 s.f.	(100) 65,000	(111) 72,150	(122) 79,300	(136) 88,400	(160) 104,000
Bldg. Aprons	53,300	60,440	60,440	60,440	60,440
Fenced Storage	600	600	600	600	1,000
TOTAL PARKING & CIRCULATION:	247,500 s.f.	281,010 s.f.	307,920 s.f.	328,930 s.f.	391,990 s.f.
LANDSCAPE & MISCELLANEOUS @ 10%:	24,750	28,101	30,792	32,893	39,199
TOTAL PARKING & CIRCULATION =	272,250 s.f.	309,111 s.f.	338,712 s.f.	361,828 s.f.	431,189 s.f.

*Employee parking requirements are based on total employees on site through one shift change. Area shown includes circulation.

PHASED CONSTRUCTION

While these tables summarize findings to date for various years, the key issue is the increments of growth for buildings and parking areas. Facility growth is particularly important for the years 1990, 2000, 2005 and future maximum site capacity. Note that building size increases only from 1990 to 2005, but remains constant thereafter. Increased fleet size beyond 2005 would be accommodated by added maintenance shifts and by utilizing crush capacity. Fleet growth beyond 160 buses would require a satellite maintenance facility. Site parking areas including employee and bus parking are increased from the year 1990 to 2000, from 2000 to 2005, and from 2005 to maximum capacity.

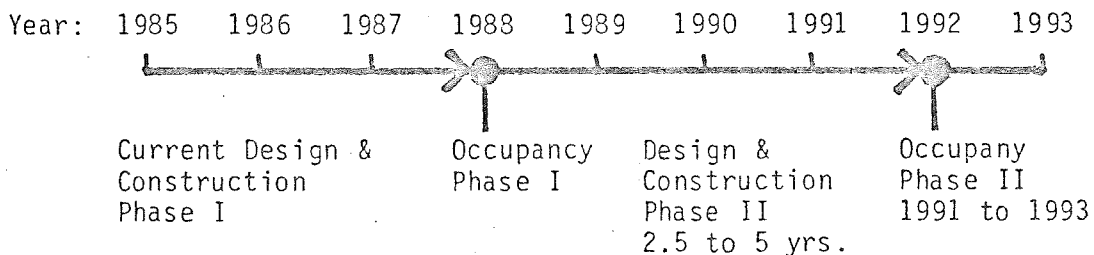
The facility program table shows a growth in the combined size of the maintenance and administration buildings from 62,166 sq. ft. in 1990 to 72,079 sq. ft. by the year 2005. This is an increase of 9,913 sq. ft. The added area consists of office space for administrative personnel and 4 maintenance repair bays and added component rebuild and parts storage space. Similar deferred areas are shown for growth from 2000 to 2005. Certain components of the building cannot economically be deferred. Central heating and ventilating equipment, electrical and other utility services as well as certain core facilities such as bathrooms, exit corridors, and computer equipment rough-in should be installed at the outset to handle ultimate growth.

ALTERNATIVE BUILDING PHASES

The alternatives for phased construction are based on the increments of growth described in the preceding tables, and measured against potential economic benefits. These alternatives must further consider the realistic scheduling of construction and facility design. Allowing adequate time for design and construction of any significant portion of the LTD program, occupancy could not take place until 1988. Clearly, any first phase of construction must accommodate the transit fleet and operations requirements for that year. This corresponds closely to the forecast and facilities program for the year 1990. Fleet forecasts from now until 1990 can be predicted with a high degree of accuracy, since they can be based on vehicle acquisitions which are already planned and can be tested against current growth rates, but any plan based only on 1990 needs would potentially be obsolete immediately after occupancy.

The minimum planning and administrative time required to construct a subsequent phase is estimated to range from 2½ to 5 years:

Possible Schedule for First & Second Phases



PHASED CONSTRUCTION

Given this schedule, Phase I must at least accommodate LTD requirements until planning, funding, design, and construction of Phase II could be built. Facilities should therefore be built for the year 1993 minimum, or to the nearest programmed growth increment at 1995.

Other alternatives include further construction phases in planned increments beyond 1995, as well as outright construction of the entire facility now. Each alternative is summarized below.

OPTION 1: Single Phase - Build entire facility now for the year 2005 program.

OPTION 2: Two Phase - Phase I: Build now for 1995 program needs. Phase II would add facilities required up to the year 2005.

OPTION 3: Two Phase - Phase I: Build office and maintenance building now for year 2005 needs. Build equipment and parking for 1995. Phase II would add equipment and parking up to year 2005 needs.

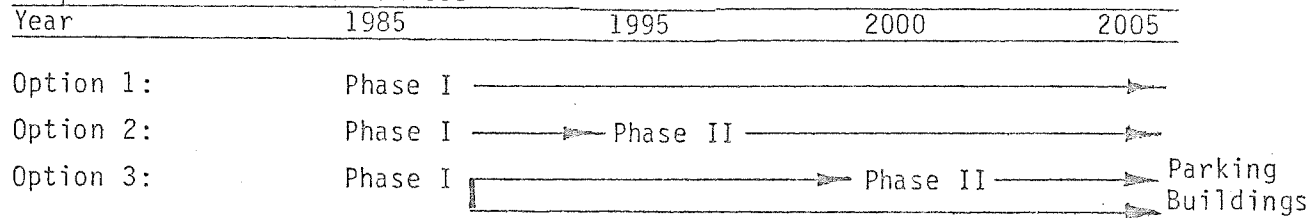
The building and site areas required for these phases are summarized below.

ALTERNATIVE PHASES, OPTIONS 1, 2 & 3 BY AREA AND COST

	Admin. Bldg.		Maint. Bldg.		Park. & Circ.		Total Cost by Phase
	Area s.f.	Cost	Area s.f.	Cost	Area s.f.	Cost	
Option 1, Single Phase							
PHASE I:							
Build in 1985 for year 2005 needs.	22,694		49,385		361,828		\$8,344,292
Option 2, Two Phase							
PHASE I:							
Build in 1985 for 1995 needs.	21,007		46,745		309,111		7,862,292
PHASE II:							
Add in 1995 for year 2005 needs.	1,687	\$126,525	2,640	\$219,120	52,717	\$137,064	482,000 (5.7%)
Total Facility Size at year 2005:	22,694		49,385		361,828		\$8,344,292
Option 3, Two Phase							
PHASE I:							
Buildings for 2005; Parking for 1995.	22,694		49,385		309,111		8,159,248
Phase II:							
Add in 1995 Parking & Equipment for year 2005.	Equip.	\$ 3,800	Equip.	\$ 44,180	52,717	\$137,064	185,044 (2.2%)
Total Facility Size at Year 2005:	22,694		49,385		361,828		\$8,344,292

PHASED CONSTRUCTION

Graphic of Alternative Phases



There is a fourth alternative which would involve three phases with construction in the years 1985, 1995, and 2000. The administrative costs and inefficiencies of constant disruption resulting from three major construction phases in 15 years is felt to be counterproductive to the primary goal of reduced operating costs. This option is clearly not cost effective.

Note that each of the three options described in the preceding table stops at the year 2005. Although fleet size would continue to grow beyond 2005 to 160 buses, the difficulty of accurately predicting growth for more than 20 years suggests that construction of bus parking areas beyond the year 2005 should be delayed in any of these options.

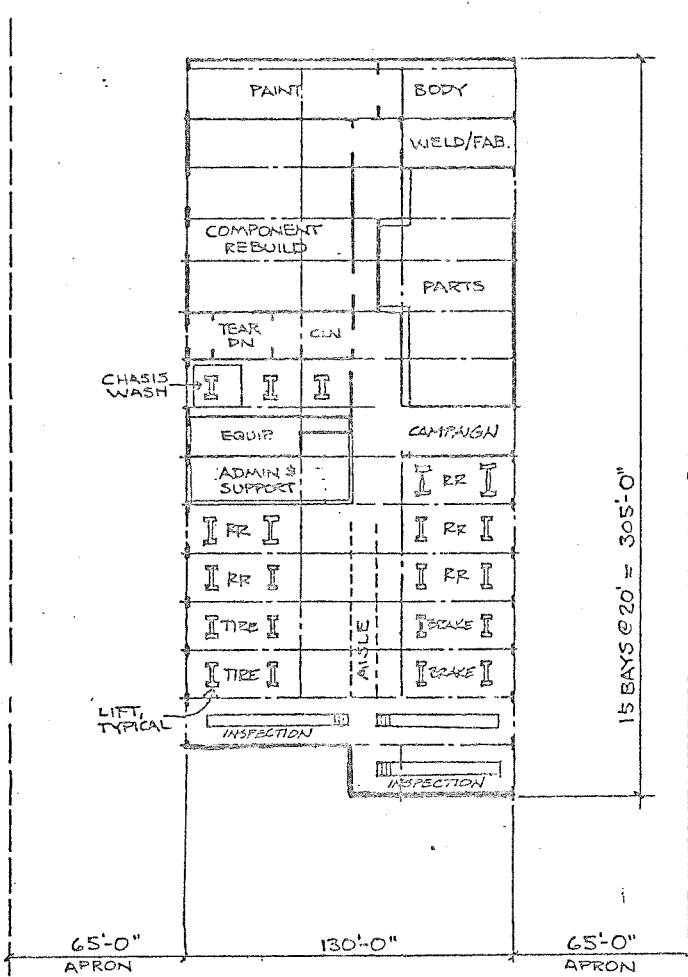
CONSTRUCTION & OPERATING COSTS

While future construction phases are subject to inflation and discounting, certain characteristics of the basic costs can be evaluated in today's dollars. These characteristics include redundancies in early phases requiring demolition later, the increased cost of multiple small contracts, and rough-in requirements for future phases which increase first phase costs.

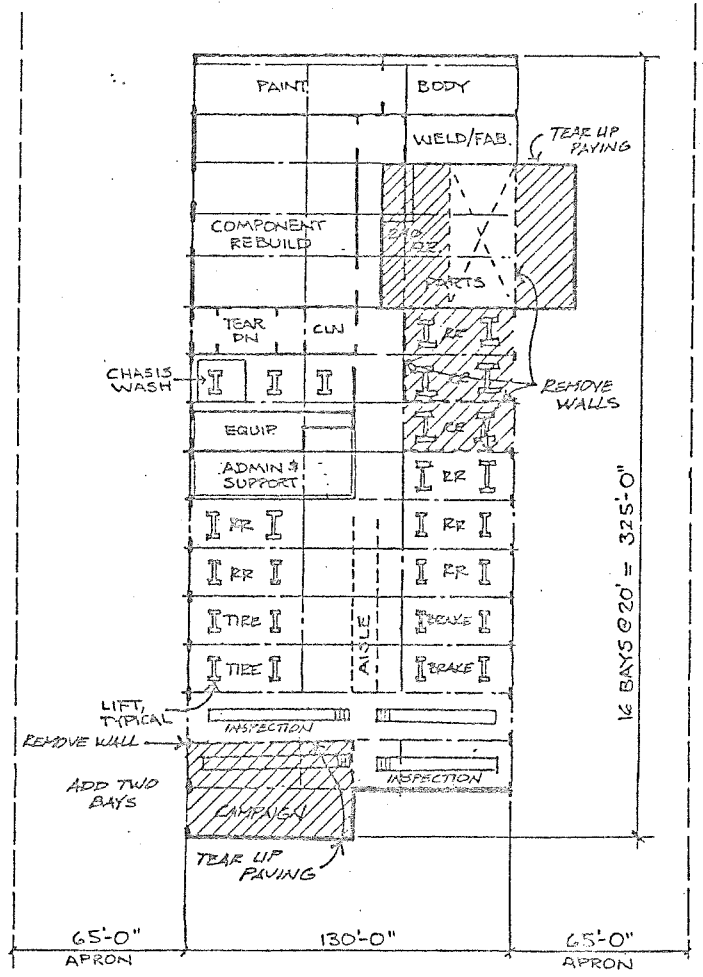
Multiple phase construction requires certain redundancies in optimum layout and in construction. Building design which allows for the shifting of functions or which leaves "holes" to be built later will decrease operating efficiency in the short term and increase ultimate costs. Later additions often cannot be simply added to the end of the building. Rather, they require a shuffling of activities, partitions and equipment installed in the first phase. Careful planning can reduce these costs. Generally, however, total costs are higher due to the redundancies described.

The following schematic plan of the maintenance facility is an illustration of the complexities of phased construction. This two-phase example can be compared to the cost of single phase construction (Option 1).

CONSTRUCTION PHASING



OPTION 2, PHASE I



OPTION 2, PHASE II

MAINTENANCE BUILDING - SCHEMATIC DESIGN

- NOTES: 1. RR = RUNNING REPAIR & PREVENTATIVE MAINTENANCE
 2. WALLS WITHIN COMPONENT REBUILD, EQUIPMENT, ADMIN & SUPPORT, PARTS, & BODY SHOP NOT SHOWN.

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CONSTRUCTION PHASING
 DIAGRAM 1

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PHASED CONSTRUCTION

In the example shown, three running repair bays (RR), one inspection bay (I), and parts areas are added to fulfill program needs for the year 2005. Various walls must be removed and pavement torn up to allow construction of Phase II. These temporary or redundant elements are the extra cost paid for phased construction. A very rough estimate of these costs is as follows:

Added Costs for Phased Construction (over Single Phase)

1. Build temporary walls	5,940 s.f. x \$5.00	=	\$29,700
2. Build temporary pavement	4,200 s.f. \$2.00		8,400
3. Demolish temporary walls and pavement	10,140 s.f. \$0.50		5,070
4. Move & reinstall equipment	(allowance)		<u>800</u>
TOTAL ADDED COST FOR PHASED CONSTRUCTION:			\$43,970

This analysis indicates that Option 2 would cost \$43,970 more than Option 1 or Option 3. The added cost shown can be compared in constant dollars. The amount shown is extremely conservative, since it does not account for mechanical, electrical and other special system redundancies which would also be revised.

A second aspect of costs affected by phased construction involves economies of scale. Contractors will generally assign lower overhead and profit figures (O&P) to smaller construction projects. This is also true of architectural and engineering fees. Reductions in O&P resulting from a larger single phase contract would be offset by the more competitive nature of smaller contracts. The number of large contractors capable of executing an \$8 million project is limited. There are far more contractors available who could bond a Phase II addition of perhaps \$1 million. The greater competition would probably balance any potential increase in O&P. Given these two considerations, there is probably no benefit or cost due to contract size.

The third component of construction costs is the requirement for mechanical, electrical and special system rough-in for future additions. The cost of replacing utilities sized only for Phase I would be extremely high. Main electrical feeders and sewer lines cannot be torn out and replaced in the same way that temporary walls were removed as discussed earlier. This rough-in and excess utility capacity increases initial construction costs by reducing the cost of later additions. The unused excess utility capacity is an investment with no useful benefit until later phases are built. Meter sizes, demand charges, and hook-up fees are paid now and with no advantage until Phase II.

Operating costs are more difficult to evaluate in a quantitative manner. Such costs are nevertheless significant. These include disruption during construction, energy and maintenance costs, utilization of excess space, and the administrative time required for design and funding.

PHASED CONSTRUCTION

Building additions and moves caused by Option 2 will disrupt LTD operations. Some loss in productivity will result. With single stage construction, the square footage which is unused until ultimate growth is achieved adds to the operating and maintenance cost of the building. These considerations argue for multiple phase construction. Heating and air conditioning energy and maintenance can add to operating expenses. Similarly, building components such as roofing and paint coatings will require upkeep even though the space enclosed is not in use. Such expenses increase the cost of single phase construction.

The effort and time required to design and fund subsequent additions is a major expense. LTD staff (and UMTA staff, if so funded) would need to contribute additional administrative time to later construction phases. Although it is difficult to estimate these costs, they are probably the highest of any operating cost consideration and would significantly increase the cost of Option 2.

Comparative Evaluation

	Option 1 & 3 Single Phase Construction	Options 2 & 3 Two Phase Construction
Construction Costs:		
1. Redundant construction (torn out later)	+	-
2. Size of construction contract	+	+
3. Rough-in costs	+	-
Operating Costs:		
1. Disruption to LTD operations	+	-
2. Energy costs	-	+
3. Building maintenance costs	-	+
4. Excess space advantages	+	-
5. Administrative cost of design and funding	+	-
Key: + Beneficial or lower cost - Detrimental or higher cost		

The table above indicates that there are more benefits to single phase construction (Option 1) where constant dollars are concerned.

Option 3 incorporates the advantages of single phase construction by eliminating redundant walls and pavements which would be torn out under later phases. Pavement and equipment are deferred until needed without added cost when compared to Option 2.

