

Public notice was given to The Register-Guard for publication on April 11, 1985.

LANE TRANSIT DISTRICT  
ADJOURNED BOARD MEETING

April 16, 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
- IV. AUDIENCE PARTICIPATION
- V. EMPLOYEE OF THE MONTH
- VI. PUBLIC HEARING ON CHARTER RATES
- VII. ITEMS FOR ACTION AT THIS MEETING
  - A. Approval of Minutes
  - B. Oregon Country Fair Request for Service
  - C. Public Bidding and Contracting Rules
  - D. Ordinance No.27, Amending Ordinance No. 26, Establishing the LTD Board of Directors as the District's Public Contract Review Board
  - E. LTD Contract Review Board Session to Adopt Contract Review Board Rules

VII. ITEMS FOR INFORMATION AT THIS MEETING

- A. Current Activities
  - 1. Update on Willamette Street Opening
  - 2. APTA Legislative Conference
- B. Monthly Financial Reporting
- C. Quarterly Reporting
  - 1. Ridership
  - 2. Operations

VIII. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

- A. Payroll Tax Ordinance
- B. Public Hearing on Charter Service
- C. Marketing Presentation
- D. Budget Transfer

IX. ADJOURNMENT (to Tuesday, May 7, 1985, 7:30 p.m. in the Eugene City Hall)

AGENDA NOTES

Page No.

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

VI. PUBLIC HEARING ON CHARTER RATES

Legal notice of a public hearing on proposed increases in charter rates for Fiscal Year 1985-86, to be held at this meeting, was published in The Register-Guard. Since that time, staff have requested that this issue be placed on the May 21 agenda for Board action. A public hearing is on the agenda at this time, however, in case any member of the public is present to testify on this issue. Notice of a public hearing to be held at the May 21 meeting will also be published.

VII. ITEMS FOR ACTION AT THIS MEETING

A. Approval of Minutes: The minutes of the February 19, 1985 regular meeting, the February 26, 1985 adjourned work session, and the March 12, 1985 regular meeting are included in the agenda packet for Board review and approval. 8

B. Oregon Country Fair Request for Service: 36

Issue Presented: Should the Board approve a request from the Oregon Country Fair Board of Directors for joint funding to provide service to the Oregon Country Fair?

Background: The Oregon Country Fair will be held on July 12, 13, and 14 this year. In past years, LTD has played an important role in transporting people from downtown Eugene to the fair site in Veneta and back. Because of the limited amount of parking available at the fair site, transportation by bus has been effective and well used. In the past, free rides to the fair have been provided by the Oregon Country Fair through a charter arrangement with LTD. This year, however, the Board of Directors of the Oregon Country Fair have requested that the District participate in the provision of transportation to the fair. Included in the agenda packet is a memo from staff which explains the request and the cost to LTD of participating in such an agreement. Also included are several letters from City and County officials in support of the Oregon Country Fair's request.

Staff Recommendation: Staff believe that LTD's service to the Oregon Country Fair fills a definite community need, but that a change in the funding of that service has broad policy considerations and, therefore, should be addressed by the Board.

Results of Recommended Action: Staff will work with the Oregon Country Fair staff to implement Board action.

C. Public Bidding and Contracting Rules:

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Background: Oregon law requires that public agencies conform to certain requirements in regard to the bidding and contracting of goods and services. In order to insure conformance with those requirements, it is necessary to pass a resolution adopting specific rules for bidding and contracting. The proposed rules are attached to, and considered part of, the enclosed resolution.

Staff Recommendation: That the Board adopt the enclosed Resolution Adopting Public Bidding and Contracting rules for the Lane Transit District Board.

Results of Recommended Action: Staff will follow the adopted rules in performing bidding and contracting functions for the District.

D. Ordinance #27, Amending Ordinance #26, Establishing the LTD Board of Directors as the District's Public Contract Review Board:

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Background: At its April 10, 1984 meeting, the Board adopted Ordinance No. 26, which established the LTD Board of Directors as a public contract review board. The purpose of a contract review board is to settle disputes, decide appeals by vendors, and establish contracting procedures. The establishment of a District Contract Review Board became necessary when the State of Oregon ceased funding the State Contract Review Board. Ordinance No. 26 was subsequently not filed with the Circuit Court within the allotted time limit and must be re-adopted. Staff recommend that it be adopted as an emergency ordinance in order to immediately adopt operating rules to allow the District CRB to function. To adopt an emergency ordinance, the Board must hold both the first and second readings at this meeting and adopt the ordinance by unanimous vote of those present. If the Board so chooses,

it can vote to read the ordinance by title only. Extra copies of the ordinance will be available for members of the public.

Staff Recommendation: That the Board hold both the first and second readings, by title only, of Ordinance No. 27, An Ordinance Amending Ordinance No. 26 Making the Board of Directors of the Lane County Mass Transit District (LTD) the Local Contract Review Board for LTD, in order to adopt Ordinance No. 27 as an emergency ordinance.

Results of Recommendation Action: The Board will immediately convene a session of the LTD Contract Review Board in order to adopt the rules of the LTD Contract Review Board.

E. LTD Contract Review Board Session to Adopt Contract Review Board Rules 81

Background: The Oregon Legislature adopted general guidelines for public agencies to follow in performing the duties of a contract review board. Staff recently received the final published guidelines from the Legislature, and have worked with District Counsel to develop the relevant policies and procedures for Board review. The LTD Contract Review Board now needs to adopt, by resolution, the rules it will follow in performing its duties as a contract review board in the state of Oregon.

Staff Recommendation: That the Board of Directors call a session of the LTD Contract Review Board and adopt the enclosed Resolution Adopting the Rules of the LTD Contract Review Board.

Results of Recommended Action: Future actions of the LTD Contract Review Board will be guided by the adopted rules.

VI. ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

1. Update on Willamette Street Opening: On Monday, April 8, the City Council approved the opening of Willamette between 10th and 11th, and instructed City staff to work with LTD on the design and proposed move to 10th and Olive. Staff will give an oral update on this issue at the April 16 meeting.

2. APTA Legislative Conference: The General Manager will provide an oral update on Conference activities and meetings with members of Congress during her attendance at the APTA Legislative Conference in March.
- B. Monthly Financial Reporting: Included in the agenda packet are financial statements for February and March, 1985. 105
1. Comparison of Budgeted and Actual Revenues and Expenditures
    - a. General Fund
    - b. Capital Projects Fund
    - c. Risk Management Fund
  2. Comparison of Year-to-Date Actual Revenues and Expenditures to Budgeted (General Fund)
- C. Quarterly Reporting
1. Ridership: Ridership figures for the third quarter of FY 84-85 (January through March) are included in the agenda packet for Board review. 113
    - a. Ridership Summary
    - b. Weekday Person Trips Graph
    - c. Farebox Revenue Graph 114
  2. Operations: The Operations Summary for January, February, and March, 1985, is included for Board review. 115
- 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. Public Hearing on Charter Service: A public hearing on the proposed charter service rates for FY 85-86 will be held at the May 21 Board meeting.
  - C. Marketing Presentation: A presentation on summer promotions by the Marketing division is scheduled for the May Board meeting.
  - D. 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 May 21 meeting.
- X. ADJOURNMENT
- (to May 7, 1985, 7:30 p.m. at the Eugene City Hall)

MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT

REGULAR MEETING

February 19, 1985

Pursuant to notice given to the Register-Guard for publication on February 14, 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, February 19, 1985 at 7:30 p.m. in the Eugene City Hall.

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

Absent: Janice Eberly, Vice President  
Larry Parducci, Secretary

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Ms. Calvert said that she and Ms. Eberly had attended the District's annual Awards Banquet on Sunday, and that the other Board members had missed a very nice banquet, with the largest employee attendance ever. She expressed hope that the others would be able to participate next year.

AUDIENCE PARTICIPATION: Ms. Calvert asked that anyone with comments on particular agenda items wait until those items came up on the agenda, and opened the floor to persons with comments of a general nature.

Paul Bonney, of 587 Antelope Way, Eugene, stated that he had read the draft fare policy in the agenda packet. He thought the ideas on passes and prepayment of fare were sound. He also wondered if the District was aware of the fact that people who board the buses downtown sometimes get away without paying, and encouraged the District to continue enforcement of fare payment.

Vic Beers of 2185 Carmel, Eugene expressed concern about the budget and wondered what the Board's justification was for any increase in salaries this year. Ms. Calvert asked if he could wait until the issue came up on the agenda.

Jim Hale of the Metropolitan Area Planning Advisory Committee said he was there to speak as a private citizen. He had talked to the Board in June and asked for their input on transportation planning and transit goals. He stated that last year there was some doubt about appropriate goals for transit among members of the committee, the Planning Commissioners, and elected officials, and a high goal of 15% was reduced through political compromise to 8%. He said that LTD had played a role in that

decision and that others had relied on the District's judgment in this issue. He believed, however, that the information had changed since last summer, especially with the report on maintenance facilities needs published by ECO Northwest. He discussed three documents in that report— Technical Memo #1, a work program finished in August; Technical Memo #2, a ridership forecast published in September; and the summary document written at the end of October. He expressed the belief that if those documents had been available last summer, the final transit goals for LTD would have been lower. He stated that he does support the need for a new maintenance facility and the use of consultants to help show the District what its expectations ought to be, but he did not support the established goals.

Harold Chapman of 51 Chapman Drive, Eugene, who accompanied Mr. Hale to the meeting, spoke next. He listed the variables (which could have either a positive or negative impact on transit ridership in the Eugene/Springfield area) reviewed by ECO Northwest in its study. Those variables included population and population density; employment and employment density; average household income; local parking policies; college enrollment; fares; size of buses; and the effect of the geographic configuration of communities on ridership. Level of employment was determined to be the best predictor of ridership. In its forecast, ECO Northwest predicted what LTD ridership would likely be and stated that, if one had to select one boundary in a single forecast, lower is by far the most likely. Mr. Chapman went on to say that just increasing the modal split from its current level of less than 1% to its historically high level of 1.41% means a 45% increase in the modal split. He said that the consultant's report assumes that LTD can handle increased ridership between now and 1990 by gradually reaching the productivity that it had in 1980. The report also stated that an increase in the modal split to 1.5% by the year 2000 is the most optimistic assumption that LTD should make in forecasting ridership. In order to reach the current goal of an 8% modal split by the year 2000, the consultants state that an annualized growth rate in ridership of 16.7% would have to be achieved.

Mr. Hale then showed maps divided into zones which detailed the percentage of home-based work trips in each zone. He stated that there is a great variation, depending on the zone, in what an 8% goal really means. He said the transit ridership expectations in the transit model would mean a decrease in net auto trips to and from downtown, the University, and other areas. He thought that if the Planning Commissioners and others who had worked on the transit goals had known that decreases in auto trips were being projected, they would not have adopted the same transit goal. He urged the Board members to examine the transit goals to see if they believed those goals could be met. He stated that he was making a strong case that they could not. He also said that a very important segment of the community is the one which is distrustful of LTD's plans and programs, and better feelings would bode well for LTD. He thought that if more people believed the transit goals were truly attainable, they would be more apt to support what the transit district does.

He asked the Board if they would schedule some time to review the full ECO Northwest report rather than just the summary.

Ms. Calvert asked Mr. Hale if he wanted the Board to respond before the new T-2000 goals are adopted. Mr. Hale replied that the T-2000 process (being renamed the TransPlan) is too far along to reconsider some of the assumptions, but he thought the computer runs could still be made with lower assumptions without slowing down the process to a great degree. Mr. Hale stated that he planned to make the same presentation to other groups, as well, including the Planning Commission. Ms. Calvert thanked him for his presentation, and said they would be discussing the issue later on the agenda for that evening.

MOTION

APPROVAL OF MINUTES: Mr. Brandt moved, seconded by Ms. Nichols, that the minutes of the January 15, 1985 regular meeting be approved as distributed. With no further discussion, the motion carried by unanimous vote.

VOTE

SALARY SUBCOMMITTEE RECOMMENDATION ON ADMINISTRATIVE SALARIES: The Board's attention was called to the memo from the Board Salary Subcommittee on page 16 of the agenda packet. Mr. Pusateri, Chair of the Salary Subcommittee stated that the Subcommittee had looked at what was done last year and planned administrative salaries for this year in combination with the Consumer Price Index and other increases which are pending around the community. The Subcommittee believed that the recommended increases are not out of line and are consistent with other salary rates and schedules.

Ms. Loobey explained that the recommendation includes a general adjustment of 3.5% to the Administrative Salary Schedule, and an additional adjustment to grades six through 13, where the salaries are more out of line with the marketplace. She said it would take longer for someone to reach the maximum rate, and a cap at 100% would be placed on salaries, rather than at 108%, as it had been previously under the Pay for Performance plan. In response to a question from Mr. Brandt, Ms. Loobey stated that grades six through eight would receive an additional 3% to the salary scale; grades nine through 12 would receive 4% in addition to the 3.5% general adjustment; and grade 13 would receive an additional 5%. Mr. Brandt commented that 3.5% didn't seem like very much of an increase for grades one through five, and asked about the number of employees in each category. David Harrison, Personnel Administrator, replied that there are three accounting clerks and four clerical specialists in those categories. He also explained that not every District job had a comparable job in every agency, but each job was compared with at least four or five others.

Mr. Brandt then asked how the people in grades one through five feel when everyone else gets a bigger increase. Mark Pangborn, Director of Administrative Services, stated that most of those employees are supervised by the division directors he supervises. He said that they are understandably not happy with the situation and with being singled out as the lowest members of the salary scale, to begin with. However, he said,

they do understand that the District is paying at market or a little above for the jobs they do. They enjoy their jobs and understand that their pay is comparable to other places. In other words, at one level they think it is fair, and at another level they think it is not. Mr. Pusateri remarked that compared with the outside market, they are staying even and not losing ground. Mr. Brandt thought the rate of pay for the accounting clerks was good for the market. Mr. Pangborn explained that in the City of Eugene, accounting clerks' duties fall in a more limited area, but the District's pay level is justified by the larger area of responsibilities of its accounting clerks. Mr. Brandt stated that he thought no one could say the recommended raises are excessive.

Mr. Beers, a member of the audience who spoke earlier, asked about the total dollar amount of the pay increases and whether the District expected an increase in its income, as well. Ms. Calvert explained that the administrative salary increases amounted to \$65,000, and that LTD looks at its total anticipated income for the following year and develops a budget which does not exceed expected income. Mr. Beers then asked if the raises were being proposed just for the sake of getting raises, or if they were deserved or needed. Ms. Calvert replied that most companies see raises as a way to help their employees keep up with the cost of living. He further asked how the District could justify salary increases, and what would the District do for revenue with the Weyerhaeuser plant laying off and the majority of income to support LTD coming from payroll taxes. Ms. Calvert said that the District's options would be to increase fares, cut expenses, or whatever it needed to do to balance the budget.

**MOTION**

Mr. Pusateri moved that the Subcommittee recommendation on page 17 of the agenda packet, regarding salary increases for administrative staff, be adopted as recommended. Ms. Nichols seconded the motion.

Ms. Nichols asked Mr. Brandt, the only Board member present who was not a member of the Salary Subcommittee, if he thought he had been given enough information to make a decision on this issue. He answered that he relied on the subcommittees to do their research and make appropriate recommendations, and he felt he had enough information. It was his opinion that the raises were very small compared with the way District staff work. Ms. Nichols commented that she thought the approach the Subcommittee took was fairly conservative.

**VOTE**

With no further discussion, the motion carried by unanimous vote.

**FARE POLICY:** Ms. Loobey called the Board's attention to the draft fare policy found on page 19 of the agenda packet, and said it was the first time the staff and Board had looked comprehensively at a fare policy and pricing measures and codified them to use in the future to help staff do their jobs better. The policy was divided into three areas: administrative factors, pricing factors, and promotional factors. She asked Stefano Viggiano, Planning Administrator, to discuss the key policies for the Board.

Mr. Viggiano stated that this is the first written fare policy the District has proposed. Staff had previously used unwritten rules and procedures to guide them. The draft policy formalized those unwritten rules and introduced some new ideas. He explained that the policy statements in each category supported one or more objectives.

Policy #4, he explained, encourages prepayment of fares, because people who do buy passes and tokens tend to ride more often. One way to encourage prepayment would be to increase the differential between cash and tokens/passes.

Policy #5 deals with when and how to increase fares. Mr. Viggiano explained that the District's recent policy has been to use an incremental approach, with smaller but fairly frequent increases. This has not had the disastrous results experienced when the District waited to increase prices and then increased them by a large amount. This policy statement also recognizes the negative impact of too many increases, and seeks a balance.

Policy #9 deals with attracting new riders. An example is cooperating with the Lane County Fair Board to offer the public free rides during the Lane County Fair. Staff have surveyed riders and learned that fare discounts are attracting large numbers of people who have never been on the bus before.

Policy #10 proposes that discounted fares be used to encourage ridership during traditionally low demand periods. Mr. Viggiano explained that this is when there is excess capacity on the system and the District has no extra expenses for handling increased ridership at this time. The goal of the policy would be to stabilize ridership throughout the day, and the best way has proven to be by discounting fares. Many transit systems have adopted this policy as they have grown larger. Mr. Pusateri wondered if the people who had already paid for passes or tokens would receive any benefit from this kind of a discount. Mr. Viggiano replied that they would not, which was one of the drawbacks of the system. For instance, the District presently discounts fares on the weekend, but passholders do not benefit from that reduction. Mr. Pangborn mentioned that there are options to encourage passholders, as well, such as the Totally Transit Summer Pass promotion which was so successful the previous summer.

Policy #12 recommended that the value of the service to the patron be considered in determining the fare. For instance, the downtown shuttle is a short loop and is of less value to the patron, who could choose to walk, so the fare is lower. Mr. Brandt had a question about the wording of this policy, and staff agreed to reword it to make the intent more clear.

Policy #13 recognizes that transfers are an essential part of the system, since some people are forced to transfer in order to complete their trips. The patrons' needs in this area should be considered when transfer policies are set. Ms. Calvert asked what the present policy is,

to which Mr. Viggiano replied that patrons are allowed one hour between the time they get off the bus and get on the next one. This policy is appreciated both by merchants and patrons.

MOTION  
VOTE

Mr. Brandt moved that the Board adopt the fare policy with some rewording on policy #12. Mr. Pusateri seconded, and the motion carried unanimously.

GRANT APPLICATION FOR FEDERAL AID URBAN FUNDS: Mr. Viggiano explained that in 1982 the District signed an agreement with the City of Springfield in which LTD agreed to replace one asphalt bus bay (added midway through construction of the Springfield Transit Station) and make other improvements to the surrounding asphalt as requested. Certain problems in using the lifts at this station can also be addressed during this project. The funds for the project were budgeted and now available in a grant from the Urban Mass Transportation Administration (UMTA). However, staff are proposing to use Federal Aid Urban funds which have become available. Those funds are allocated between the cities of Eugene and Springfield, Lane County, carpooling, and LTD. In the past, FAU funds have been used to build the Springfield and River Road transit stations and are now being used to fund the improvements at 13th and Kincaid and to build the Parkway Station at 29th and Amazon Parkway. Use of FAU money for the Springfield project now would allow the District to install additional passenger shelters, which always meet with favorable response from the community, with the UMTA funds.

In response to a question from Mr. Pusateri, Mr. Viggiano explained that it is generally LTD's position that it is the cities' obligation to make these kinds of repairs. Once the work is done, the District's obligations will be fulfilled and the station becomes Springfield's responsibility.

Public Hearing on Grant Application: Ms. Calvert opened the public hearing on the grant application for Federal Aid Urban funds. Hearing no comments from the audience, she closed the public hearing.

MOTION

Mr. Brandt moved that the Board approve the staff recommendation and the resolution as set forth on pages 26 and 27 of the agenda packet. Ms. Nelson seconded, and the motion carried by unanimous vote.

VOTE

ITEMS FOR INFORMATION AT THIS MEETING:

Presentation on Downtown Plan: Russ Brink, Downtown Manager for the City of Eugene, was present to discuss the Downtown Plan, the Price-Sonoma development, and the implications for LTD. Mr. Brink stated that some parts of the plan are still not decided and are still to be negotiated. The next six months will tell a lot about the feasibility of the project and if it ends up being as it was shown on his drawings, he said. Another unknown factor at this time is what the project will cost.

Mr. Brink stated that he had been the Downtown Manager for six months and that downtown management as a theme was popular across the country. He explained that it is based on the same ideas that have guided shopping center management, including marketing, tenant mix, and supplementing services being provided by cities in the downtown area. His job, he said, is to get all the pieces of the puzzle to fit and to work with other agencies, such as LTD. He hoped to be able to continue the good discussions begun with Phyllis Loobey, Ed Bergeron, and Andy Vobora, and said that projects cannot be adequately addressed unless everyone with a piece of the pie cooperates and discusses the issues. Presently, he said, downtown Eugene is being marketed as a place to do business, shop, and participate in cultural and entertainment activities. His office works closely with the Eugene Downtown Association (EDA), and is now also working on projects for image development, including planting, painting, and policing, through a business watch program and increased police personnel on the mall, in order to have the mall perceived as a safer place to be.

Mr. Brink said the Downtown Plan in general had been adopted by the City Council. The major focus at this time is the opening of Willamette between 10th and 11th, and LTD staff have been involved on a task force which is developing a range of options for that street opening. Downtown is also now at the beginning of what could be a very long process. He explained that 18 months ago the City entered into negotiations with Price Development Company, and is now in the position of a six-month bridge between negotiations and disposition and development. This is the point where the developer and the City make a commitment for a project. The City's obligations are to appraise the property in the project area for acquisition and resale to the developer and to continue negotiations on the site area and design elements. The developer's obligation is to acquire letters of commitment from at least two major department stores to anchor the project. He said the project had already changed somewhat and would be changing again.

The core of the project, which is anticipated to stay basically the same, includes the three-block area bounded by Charnelton, Willamette, Eighth, and Tenth streets. The existing buildings in that area, except the Bon Marche, would be replaced by a two-level retail complex with the Bon and two other large stores anchoring the mall (one at the location of the existing Sears building). The developer also wants to make provisions for a fourth department store at a later date. The most recent proposal was to have a major department store on the site of the present Rubensteins or M Jacobs, with a bridge to the rest of the mall, but that proposal was not well received and will probably be revised.

Mr. Brink also spoke of the need for more parking adjacent to the department stores. Two new structures are proposed for areas that now have surface parking, and parking would cover one level below the entire complex. He said the parking ratio started high and will have to be reduced through negotiations. Also proposed is a market plaza or public space for public activities, such as Saturday Market and the Eugene

Celebration. Maintaining a public gathering space is seen as a high priority. One idea is to create a produce market place, or something similar to the Yamhill Market in Portland, on Eighth Avenue, in order to minimize the hard concrete edges and to have street level activities on the perimeter.

Mr. Brink also talked about LTD's points of access into the process, and where the process was going in the future. First, a subcommittee of the Downtown Commission is to review the project, then public hearings will be held by the Downtown Commission and the City Council. He also mentioned the good communication between the staffs of the Eugene Development Department and LTD.

Ms. Calvert asked how Mr. Brink saw transit fitting into the project. He stated that this area is a key to negotiations regarding parking needs, and that both the existing parking inventory and the proximity of transit facilities to the project will be on the City's side in negotiating with the developer regarding the ratio of parking and parking structures. Mr. Brink said he believed the transit facilities needed to be given a very high priority and be kept close to the development. Ms. Calvert also mentioned the need for a commitment of longer than two years for a transit facility. Ms. Nichols commented that a number of downtowns across the country have been malled off and the lack of foot traffic or through street traffic in those areas has led to the decline of some of the stores. She wondered what would happen to the smaller stores if there was a parking structure on essentially every corner of the development. Mr. Brink stated that some of the businesses will go out of business, but that he hopes to be able to keep some of them downtown. The developer is hoping that some will go back into the development. He said the relocation question is a tough one, and that building the development will be disruptive to the existing businesses.

Ms. Nichols also wondered how close the project is to having commitments from four major department stores. Mr. Brink replied that there has only been allusion to this in the discussions, and that there is only speculation on this issue so far. He said he thought the Bon would like to stay, and they are hoping to convince Sears to stay, as well.

Mr. Brandt asked about Willamette street being open on the edge of the development (between 8th and 10th). Mr. Brink replied that the development could work either way, but he didn't envision it being open. Ms. Calvert asked if the public area would be controlled by the development or officially a public area. Mr. Brink said the plan is for it to be public and not controlled by the development, but the details are complex to work out. It is envisioned that the core of the plaza would be a truly public space to be managed by the public, with a reciprocal easement agreement. There are some security questions if Broadway and Olive are left open to foot traffic 24 hours a day, or at least well into the night.

In response to a question, Mr. Brink stated that he is not on the task force discussing the opening of Willamette between 10th and 11th, but that the goal is to have the street opened by early Fall. He said a lot of design and transit problems need to be resolved first. In tax allocation funds, incremental revenue that occurs in urban renewal districts, the necessary funds, as estimated by the City, are on hand and budgeted for the project. Ms. Nichols asked about private versus public funds for the Price-Sonoma development. Mr. Brink replied that the City would have three financial commitments: the acquisition of property to be resold to the developer; the relocation of businesses; and parking structures, which are usually owned by the cities. A fourth commitment which he mentioned was that of the public space in the development. He said there is some tax revenue but that a gap exists between what the project could cost in public dollars and what the City could come up with.

Ms. Calvert and the Board thanked Mr. Brink for his presentation, and he stated that he would like to return at a later date with a progress report for the Board.

Commuter Promotion: Sue Hanson, Marketing Representative, was present to explain a new promotion aimed at encouraging downtown Eugene employees to ride the bus. A memo in the packet explained why the downtown commuter was chosen as a target market, and Ms. Hanson showed the Board printed materials which will be used in the campaign. The theme of the campaign, called GO PASS, is a take-off on the game of Monopoly. The commuter is shown how use of monthly passes could save \$400 over the cost of driving a car for a year ("collect \$400"). A "Monopoly Board" design on the advertising highlights downtown, the 5th Avenue area, and the University area and shows types of (not specific) retailers in those areas. The advertising also highlights tokens, passes, transfers, and the shuttle route. Anyone who purchases a monthly pass will receive a "Go Pack," which is similar to the Totally Transit coupon book, offering discounts from merchants in the greater downtown area. Staff will work with employees in downtown businesses in their lunch rooms, etc., to plan personalized service through use of a trip planning card. Employees will also be given three day passes to encourage them to try the system.

The promotion will be complemented with radio, television, and newspaper ads. The television ad was being filmed that week, with District employees as the main characters. Mr. Brandt asked what the goal of the campaign was, to which Ms. Hanson stated that the campaign tied in with the overall goal of increasing District ridership by 15% for the year. The campaign is to be implemented sometime in mid- to late March. In response to Ms. Nichols' remark that the promotional materials were very nicely done, Ms. Hanson stated that staff were working with Cappelli Miles & Wiltz, who had done the artwork. She added that staff were in the process of contacting businesses about the campaign. Merchants were enthusiastic about this promotion based on the response to their participation in the Totally Transit promotion last summer.

Ms. Hanson also showed the Board the new tabloid, the "Rider's Digest," which was being mailed to Eugene households and included in the Springfield News as a supplement.

Staff Assignments: Ms. Loobey explained that the list of staff assignments within the District and in the community was included on pages 32 and 33 of the agenda packet in response to questions from Ms. Calvert about staff responsibilities. Mr. Brandt thought that these responsibilities amounted to a lot of extra time on the job for staff, and that they should keep track of these hours for discussion on raises, etc., since the long hours reduce their per hour rate of pay. Ms. Calvert thought this sort of involvement was common in many public agencies, however.

Governing Board Members Seminar: Ms. Loobey said staff had received information on a seminar for governing board members which will be held in Seattle in July. The Board should consider this seminar as the District goes through the budget process, to determine if there is interest on the part of any Board members, whether the Board President should attend, etc. More information will be available at a later date.

Progress Report on 800 Series Buses: Tim Dallas, Director of Operations, informed the Board that five of the new 800 series buses would be going into service the following Monday for the beginning of the new driver bid. The Maintenance division was working hard to get the buses ready for service, in addition to its regular maintenance responsibilities, so that one to three buses can go into service each week until all 31 are in revenue service. The Twin Coaches will then be phased out and stored until they are auctioned off.

Safe Harbor Leasing: Mr. Pangborn stated that the tax credit for the 800 series buses cannot be sold until all 31 are in revenue service. He planned to send a letter to the District's major payroll taxpayers within the next couple of weeks. He said that, ideally, staff would like to keep the credit in the local community because of the strong support the District has received from local businesses in the last few years. However, if no local businesses are interested, interest in the tax credits has been expressed from outside the local area.

Facilities Study: Mr. Dallas stated that an advertisement about the District's search for an appropriate site had been sent to the area's commercial realtors, with copies going to the Board members. He handed out copies of the appendices for the background material on the facilities needs study, stating that it was a good source document if the Board members are asked questions by members of the public. He asked that the Board refer other questions to him or to Eric Gunderson, the architect working with the District on the study. The timeline on the site selection is rapid so the findings can be integrated into the budget process. The deadline for submitting properties for consideration was March 1, with selection of the final four in priority order by April 30.

Update on 10th and Willamette: Ms. Loobey explained that staff were involved in a task force which was meeting to discuss only the opening of Willamette between 10th and 11th, and was not looking at the implications for LTD beyond the opening. However, she said, staff were making the District's issues known. She said the preliminary design for the street opening would be available for Board review at the March 12 meeting. One of the major issues at this point is whether the buses will be allowed to travel south-bound on this segment of Willamette and, if Willamette is opened to 20th, whether the buses will be able to travel north-bound. Ms. Loobey is also working with different City staff on other issues regarding the opening.

T-2000 Goals and Facilities Study Ridership Projections: Discussion on this issue was postponed until the March 12 meeting so the full Board could discuss the issue after having an opportunity to read the material handed out by Jim Hale earlier in the meeting.

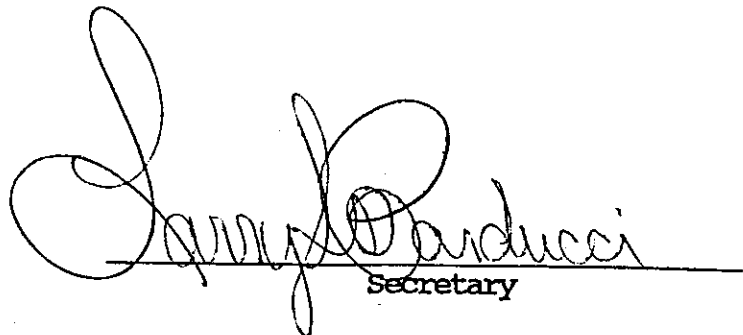
Financial Statements: Since passenger fares in relation to the previous year were down, Mr. Brandt wondered if the District had fewer riders than last year. Karen Rivenburg, Finance Administrator, replied that ridership is actually up from a year ago, but several promotions designed to encourage new ridership have had an impact on fares. Examples of those promotions are the 25-cent weekend fare and a 20% sale on passes in December. Ms. Calvert also mentioned that the lack of snow this winter had had an impact on normal ridership levels. Mr. Pangborn stated that Stefano Viggiano, Planning Administrator, had completed an analysis of the fares in January, and the Board would receive that analysis at a later date.

Reminder Regarding Salute to Commerce Banquet: Ms. Loobey reminded the Board that LTD was being featured at the Eugene Chamber's Salute to Congress banquet on Tuesday, March 26 at the Valley River Inn.

MOTION

ADJOURNMENT: Ms. Nichols moved that the meeting be adjourned to 7:30 p.m. on Tuesday, February 26, 1985 at the Red Lion, for a work session on strategic planning. Mr. Pusateri seconded, and the meeting was unanimously adjourned at 9:35 p.m.

VOTE



Secretary

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MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT

ADJOURNED MEETING

Strategic Planning Work Session

February 26, 1985

Pursuant to notice given at the February 19, 1985 regular meeting and given to the Register-Guard for publication on February 21, 1985, an adjourned meeting of the Board of Directors of the Lane Transit District was held on Tuesday, February 26, 1985 at 6:30 p.m. at the Red Lion Inn.

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

INTRODUCTORY REMARKS BY GENERAL MANAGER: Ms. Loobey explained that the meeting had been called to enable the Board and staff to discuss issues of major importance to the District which would be occurring over the next several months. She said there would be difficult choices to make if President Reagan's budget passed. If the federal funding is cut, the District will have several choices, including raising the passenger fares, cutting service, or raising payroll taxes, as well as any combination of those three.

Another reason for having a strategic planning work session, she said, was that each month the Board looks at little pieces of the District for a couple of hours. This meeting would give them a chance to look at the whole picture, as well as the key components of the District. Ms. Loobey said that staff wished to know the sentiment of the Board members on specific issues, so staff would have a better idea of the direction the Board might wish to take on certain issues, and to know their feelings about certain concepts, such as what is the District's role in downtown Eugene and in the community, and how LTD can maintain and enhance its presence in the community.

COMMUNITY TRANSPORTATION NEEDS: Mark Pangborn, Director of Administrative Services, spoke about the community's transportation needs and the major variables that affect the District's ability to meet those needs. The major variables are passenger fares, federal funding, and payroll taxes. The State in-lieu-of payroll taxes is expected to remain relatively stable for the next five to ten years. Mr. Pangborn went on to discuss each of these variables in more detail.

Federal Funding: Two types of federal assistance are presently available to the District: capital and operational. President Reagan wants to eliminate operational funding for transit districts, and staff expect a compromise of some sort in Congress--funds will probably be frozen at a lower level or slowly eliminated. It is expected that capital assistance will continue. The District's budget is adopted in June to begin July 1, but federal funds are not allocated until September or October of each year.

Passenger Fares: As background, Mr. Pangborn stated that passenger fares increased by five cents in 1979-80, and in 1981 were increased from 35 cents to 60 cents, an increase which was later determined to be too high too quickly, and did not meet the community's needs. He explained that there are two views of transit services. One is that transit is a social service and an integral part of the community's social infrastructure. The other view is that it is not a social service and that fares should pay for the service.

Payroll Taxes: A major issue for the District is its ability to broaden to tax base. In the sales tax measure being discussed in the Oregon legislature, there is no local option provision. The sales tax is being designed to reduce the property tax, and there would undoubtedly be resistance to increasing property taxes again for transit. The present means of financing is through employer-paid payroll tax revenues. Presently, some jobs are being added in the community, but they are lower paid than timber-related jobs, so the payroll tax returns are lower, as well. If anything is to be done with revenues, he said, the District will have to look at increasing passenger fares or increasing the payroll tax. The payroll tax revenues have now leveled off, and only a one to three percent increase is anticipated for next year. There is no way that such a slight increase in payroll tax revenues can absorb any cuts in federal funding.

SERVICES: Tim Dallas, Director of Operations, spoke about the areas in which the District spends its money.

Scheduled Service: Mr. Dallas explained that 95% of the service run by LTD is urban service, five percent is non-urban, and one percent is subcontracted out for curb-to-curb service. Of the urban service, 89% is run on weekdays in the metropolitan area, seven percent on Saturdays, and four percent on Sundays.

Special Events: Most of the District's services for special events is self-supporting, and many times they generate more revenue than they cost. Some examples of special services are the Lane County Fair, Oregon Country Fair, football shuttles, basketball shuttles, charters, and convention service.

Mr. Dallas stated that service design has a significant effect on the budget.

LABOR: Mr. Dallas explained that running a bus system is a labor intensive service, and that the attitude and morale of first-line "sales" people are essential to the success of the business. Most of the District's employees are unionized through the Amalgamated Transit Union (ATU), which has local, state, and national considerations. Employees belonging to the union are bus operators, maintenance employees, and information clerks. The same local represents transit employees in Salem, Medford, Eugene, and Portland.

LTD's labor agreements are typically three-year contracts and include wages, benefits, and work rules. Mr. Dallas stated that transit contracts contain some work rules unique to transit, and said that the work rules have a significant effect on the District's ability to provide services and on the costs of services. The District's goal is to balance the employees' needs with the needs of the community.

CAPITAL: Mr. Dallas explained that the LTD has investments in buses, which would cost \$10.5 million to replace; passenger facilities such as signs, boarding pads, and shelters, worth \$1.5 million; and operating facilities, which are worth \$3 million. Compared with other transit districts, he said, LTD is under invested in facilities, and our operating costs are higher because we haven't made the investments in facilities. The standard in the industry is that passenger facilities are worth 40% to 50% of bus investments, and operating facilities are equal in worth to the bus investments. Buses have been LTD's primary focus for the past 10 years, with the District's local share for capital purchases being concentrated on rolling stock. At this point, the District's capital needs are to: (1) maintain the present investment by funding for depreciation; and (2) respond to community development and demand by making necessary improvements/investments as the community expands. Present improvements include a new Parkway Station at 29th and Amazon, improved facilities at the University of Oregon, and the design of improvements at Valley River Center. Past community development includes the bus pull-out at the West 11th Fred Meyer store. Some developments, such as the West 11th Fred Meyer and Valley River Center, result from cooperation between the developer and the District.

PROMOTIONS/INFORMATION: Ms. Loobey opened the discussion on this area by stating that it is vital to identify the markets and to "go after them." She mentioned some recent exciting, successful promotions, including the Totally Transit summer pass promotion last summer, the football shuttles, and the commuter promotion being planned for this Spring. Resources are being spent, she explained, to provide information to the community regarding service designed to get new riders on the buses. The District's charter service, and the ability to respond to the transportation needs of specific conferences and conventions, are rapidly becoming an aspect of drawing conventions to the area. In this area, LTD can help develop the tourism industry and build community support. The special charter services do not take funds from regular service. Mr. Brandt and Ms. Eberly thought the District needed to receive more recognition for the special convention service within the community.

Mr. Bergeron mentioned receipt of the Blue Heron award from the Eugene/Springfield Convention and Visitors Bureau in January, 1984, and Ms. Loobey mentioned the Eugene Chamber's selection of LTD to honor in its March Salute to Commerce, in order to show that the District is starting to receive some recognition for its participation in the community. Ms. Nichols thought that letters from successful charters to the City Council would be helpful, and Ms. Eberly thought the general public should know more about the District's involvement in these areas. Ms. Nichols also mentioned how helpful it would be to receive recognition outside the immediate area, such as through an article in The Wall Street Journal or a similar publication.

EXTERNAL FACTORS: Ms. Loobey talked about such things as incremental increases in the cost of gasoline, which do not really make a difference in ridership, and how that differs from factors such as a combination of cost and availability, which does affect ridership. Those are factors over which the District has no control. Other external factors include decisions made by the federal, state, and local governments. She also mentioned that the District is more efficient and effective than it was during the last gas crisis, with 30% less service but the same ridership levels.

PUBLIC SUPPORT: In talking about the public, Ms. Loobey stressed that it was more important to talk about the District's "publics," since many different groups have an effect on its operations. The District needs to communicate with and respond to the needs of several publics, including the media, employees, the Board of Directors, the business community, riders, etc. She said that the District is vulnerable because of the funding sources, and needs to be aware of and sensitive to those issues. Staff and the Board want to avoid the possibility of violating what they have worked for in terms of public support over the last four or five years. Any combination of choices to increase funding will affect public support and the community's transportation needs, and staff recommend a balance in those issues. Ms. Loobey also stressed the fact that the District cannot deal with one of the issues mentioned that evening without affecting all of the others. She added that staff wanted to gain some sense of how the Board members view these kinds of issues as a basis for preparing for discussion at Board meetings.

BOARD DISCUSSION/CONCERNS: Following the staff presentation, an informal discussion in which the Board members expressed their concerns and thoughts on general issues was held. Mr. Dallas explained that staff normally look at issues in the context of the present and bring them to the Board as a recommendation, but that evening the discussion would not be on the specifics of what to do in a certain situation, but on what the Board's priorities and concerns were.

Payroll Tax: In response to a question, Karen Rivenburg, Finance Administrator, stated that an increase in the payroll tax to .006 would mean additional revenue of \$1 million for LTD.

Mr. Brandt and Mr. Parducci both believed that raising the payroll tax would hurt the District in the long run. Mr. Parducci stated that the public has come a long way in the last six months to a year, and if it takes salesmanship on the part of all Board members, then the Board needs to make those contacts "at the top."

Some of the comments expressed by the Board are:

- \* Lowering the payroll tax increases public support.
- \* Good service leads to increased public support.
- \* The payroll tax is only part of the solution.
- \* The District should promote the facts; let the publics know what we are doing that is beneficial.
- \* Spread the tax base; more user support.
- \* The self-employment tax is not worth the "heat."
- \* The community has no focus on what LTD is doing.

Downtown Transit Station/Community Support: The Board expressed the following concerns regarding these issues:

- \* Explain costs of shifting previous capital investments (downtown transit station); work LTD's concerns into a higher priority.
- \* Community cooperation and planning are essential.
- \* Make direct contact between the Board and City Council. Express negative impact of opening of Willamette between 10th and 11th. (Mr. Brandt had wondered if the entire Board should meet with Mayor Obie to express support for the community but unwillingness to sit by and get "steamrolled" downtown and then have to raise taxes to pay for changes in the downtown transit station.
- \* Meet with the Downtown Commission. (Ms. Loobey stated that staff had been approached about having the Board President and the two downtown members of the Board (Ms. Nichols and Mr. Brandt) meet with the Downtown Commission.)
- \* Take a positive approach to community priorities. Show how the District can enhance City/community projects.
- \* LTD should not fund City "change" policies. The District has been operating efficiently and should not be penalized because the City does not have the money.

- \* LTD's credibility is the issue.

Capital Investments: Mr. Dallas stated that the large amount of money needed for a new operating facility would be mainly federal money. He asked the Board to discuss the priorities for an operating facility, especially at a time when the District could be raising local share and losing federal operating funds and participating in labor negotiations.

Ms. Calvert thought the resources had to be shared. She thought it would be unproductive to significantly increase fares, and she saw no choice other than to increase the payroll tax. Mr. Brandt thought that if the community was convinced that LTD needed a new facility, it would be done. If the community wanted its transit to be "sleepy hollow," that should be the path LTD follows. It will be up to the District to convince the total publics of Eugene and Springfield that the facility is needed.

Comments made by the Board were:

- \* Raise payroll tax.
- \* Explain the need for tax support and convince the public of that need.
- \* Does LTD need the facility?
- \* Timing is critical; LTD must be sensitive to the local attitude and economy. Ms. Eberly stated that she felt positively about selling the facility as a real need, but she was concerned about how many payroll taxpayers are willing or able to be taxed or to respond to the need for a higher tax. She thought the local economy was not "out of the water" yet.
- \* LTD must "sell" any tax increase.
- \* The facility is part of the total community development, but not all publics are yet in support (acceptance and timing are critical).
- \* Mr. Brandt talked about doing what the District can afford. He said the District can afford the new facility, but it is to LTD's advantage to not spend the community's money until they are willing to expect community growth and development.

Mr. Dallas asked if, knowing the barriers the District faces to accomplish the project, it is possible for the Board and staff to convince themselves and the community that the facility is needed and to generate support for it. Ms. Calvert wondered how the Board members would obtain that kind of feedback since they were not elected by the community. She suggested putting out the facts for the public and letting them think about them for awhile. She thought that almost anyone would agree that

buying property now makes sense, although there might be some opposition to "plush" administrative facilities. She thought the maintenance facility might be easier to "sell" since it is directly related to service, but that the public might not be convinced about doing the entire project at one time. Mr. Dallas said staff were investigating the phasing of the project so that it is not all built at once to meet the needs of the year 2005. However, he said, the project is not yet into the necessary level of design detail to make that assessment and to know where the economies are. Comments from the Board included:

- \* "Sell" first.
- \* LTD must provide leadership.
- \* What are the future benefits/payoffs of the project?
- \* What are the transit benefits?

Widening of 6th and 7th Avenues: Ms. Calvert said that the District had been approached to support the widening of 6th and 7th Avenues. Ms. Loobey stated that the District does not run a lot of service on those two streets and that there is a lot of political risk in supporting the widening. Mr. Brandt said it was an issue of economic development and improving the future, and he wouldn't mind supporting it. Ms. Calvert wondered about alienating the "pro-tree" people, who also support alternate forms of transportation. Ms. Nichols stated that she did not have a problem with the District taking a stand as long as the political issues were understood. Mr. Pusateri thought the District should not be on the "bandwagon" for all issues, but support some things. Mr. Brandt commented that LTD is a successful organization and staff have done a tremendous job in efficient operations and increasing ridership. He thought LTD should be a voice of public leadership. Important concepts on this issue were:

- \* All positions have liability; the District must evaluate them.
- \* This should be seen as an issue of 6th and 7th Avenue improvements rather than widening the street or cutting down trees.
- \* LTD should be a voice in policy leadership.

Labor Negotiations: Mr. Dallas informed the Board that information on the negotiations process would be available at the next Board meeting. Mr. Pusateri expressed some concerns about President Reagan's proposed budget cuts for mass transit and preparing for District labor negotiations. Mr. Dallas said that the effect of federal funding reductions would not be known until the new federal fiscal year on October 1. Ms. Loobey stated that transit contracts would be the major contracts for the AFL/CIO in Oregon in the next two years.

On the Mark? Mr. Dallas asked if the staff had missed the mark, put the Board on the spot, or made any Board members uncomfortable with their recommendations during the past year. Mr. Brandt and Ms. Eberly commented that they had never been surprised and had felt good about the Board and staff processes. They also agreed that it was good to have the opportunity for more informal discussion about general issues, and that it should be done approximately every six months.

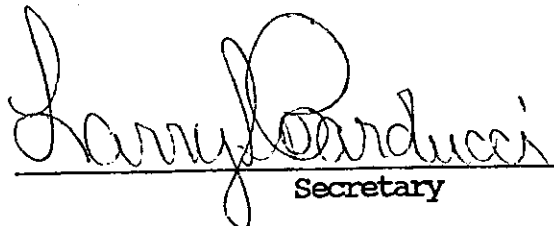
Mr. Brandt mentioned his belief that the Board subcommittees needed to agree in public on issues, and should not be divided on big issues.

Mr. Dallas said there was some burden on the part of the Board to contact staff about placing policy issues on the agenda, if staff have not done so. Mr. Pangborn stated that staff tend to take a more conservative approach and not place things which might compromise the Board on the agenda if they are not asked to do so. Mr. Brandt expressed his belief that the staff and not the Board should run LTD, since that's where the training and abilities lie.

Meeting regarding Downtown Issues: Ms. Calvert, Ms. Nichols, and Mr. Brandt were informed of a meeting scheduled for Thursday, March 14 at 7:30 a.m. at the Trawler, to discuss downtown issues with the Downtown Commission. It was explained that if more than three members of the Board met, that would be a quorum of the Board and the meeting would be considered a public meeting, with requirements for public notice, etc. Staff agreed to brief those Board members before the meeting.

ADJOURNMENT: Since the regular March Board meeting was scheduled to occur during spring vacation and several members would be out of town, Ms. Nelson moved that the meeting be adjourned to Tuesday, March 12 at 7:30 p.m. in the Eugene City Hall. After seconding by Ms. Eberly, the meeting was unanimously adjourned.

MOTION  
VOTE

  
Secretary

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MINUTES OF DIRECTORS MEETING  
LANE TRANSIT DISTRICT

ADJOURNED MEETING

March 12, 1985

Pursuant to notice given at their February 26 adjourned meeting and to the Register-Guard for publication on March 7, 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, March 12, 1985 at 7:30 p.m. in the Eugene City Hall.

Present: Janet Calvert, President, presiding  
Peter Brandt, Treasurer  
Janice Eberly, Vice President  
Joyce Nichols  
Larry Parducci, Secretary  
Mark Pangborn, Acting General Manager  
Shannon Evonuk, Recording Secretary

News Media Representatives:  
Ed Kenyan, Register-Guard  
Tracy Berry, KEZI-TV

Absent: Gus Pusateri  
Phyllis Loobey, General Manager

AUDIENCE PARTICIPATION: Ms. Calvert asked if anyone from the audience had any comments to make to the Board before proceeding with the meeting. She also said they could comment upon a specific issue when it came up for Board discussion during the meeting. There was no comment from the audience at this time.

APPROVAL OF MINUTES: Due to illness of the Recording Secretary, the minutes of the February Board meeting would not be available for approval until the April Board meeting.

EMPLOYEE OF THE MONTH: Ms. Calvert introduced Jim Saville, who was chosen the March Employee of the Month. Ms. Calvert explained that Mr. Saville has been with the District since 1977, has an excellent safety and attendance record, and is highly regarded by staff. She congratulated him for being chosen; Mr. Saville thanked the Board.

CAPITAL IMPROVEMENTS PROGRAM: Karen Rivenburg, Finance Administrator, spoke to the Board about the Capital Improvements Program (CIP). She explained that this is the second year a CIP has been presented to the

Board. The CIP covers a 20-year period, but the first three years of the program are the most detailed; after that time, individual projects may change somewhat, but it still gives a general idea of capital expenditures expected to take place over the rest of the period.

She said the CIP has a two-fold purpose: firstly, as a budgeting tool; and secondly, as a planning document, so, in a few years, there are "no surprises" as to large capital expenditures.

Ms. Rivenburg went on to say the next major capital project--the new facility--if approved, would require committing the majority of our planned capital expenditures for the next two to three years to that facility. The other capital expenditures would be cut to the "bare bones."

The three main areas of capital expenditures are buses, referred to as rolling stock; passenger facilities, such as transit stations, bus stops, and information displays; and central office facilities. The last category has been of a lesser priority in the last few years, and staff feel it is time to address that area.

Ms. Rivenburg then summarized the CIP to the Board, as listed in Pages 9-14 of the Board packet. If approved, the new facility would cost approximately \$8 million. This is an estimate and is based upon what other transit properties across the nation have been spending for similar facilities. The proposed money needed for the facility has been divided between Fiscal Years 1985-86 and 1986-87, as it is expected that the facility would proceed in a phased fashion, as is being done with the facility study. This assumes the results of the study will be the recommendation for a new facility. The \$2 million requested in Fiscal Year 1985-86 would cover site acquisition, preliminary engineering, and costs involved in beginning site construction. Ms. Rivenburg repeated that those costs are estimates at this time--they are not final figures.

Ms. Rivenburg next discussed the area of bus acquisition. There are nine 400 series coaches now in suburban use. If Section 18 monies should become available to the District, staff would pursue replacement of those coaches with five suburban coaches. If this money does not become available, that replacement would not be pursued. Mark Pangborn, Director of Administrative Services, explained to the Board that suburban coaches are designed differently than standard coaches, and are those used for service to Junction City, Elmira, upper McKenzie, etc.

The total amount of the CIP for Fiscal Year 1985-86 is \$2.7 million, \$2 million of which are monies for the proposed new facility, and \$600,000 of which are monies for the suburban coaches. Section 9 monies--a total of a little over \$1 million--are estimated to be allocated to us. As for monies for the proposed facility, Section 3 funds would be tapped. The local match for those funds would be 25 percent. The total local share for Fiscal Year 1985-86 is projected at \$603,000.

Ms. Calvert asked how this approach to funding the new facility affects areas such as computer acquisition. Mr. Pangborn said the alteration of the CIP would affect: 1) passenger boarding improvements, such as the proposed transit station at Valley River (which has been put aside for at least the next two years); 2) shelters, pads, and bus stops—its budget being cut almost in half, from approximately \$100,000 to \$50,000; 3) maintenance equipment, with the premise that, if a new facility is built, much of the maintenance equipment would be built in to the design of the facility; and 4) computer equipment, which has been cut back substantially. He explained that if budgeting for the new facility is not approved by the Board, then the CIP will have to be looked at again, and revisions made accordingly.

Ms. Calvert asked if this would slow down the process of the shelter at the University of Oregon. Mr. Pangborn replied that it would not—that project is already in progress, and, in fact, construction is planned to begin before the end of the current fiscal year. He reminded the Board that they will have another opportunity to review this CIP with the Budget Committee. The request by staff at this meeting was to hear any concerns or changes the Board may have, so staff can incorporate those into the budget requests sent to the Budget Committee. He also stated that this does not mean the Board has made the decision to go ahead with the new facility. One of the major concerns staff have is whether to budget \$600,000 for the replacement of the suburban coaches. He stated that the current ones in service are very old buses, and need to be replaced.

Mr. Brandt asked if a positive vote at this meeting would mean anything; Mr. Pangborn replied that it meant approval of what the Board sees as an appropriate direction for District staff to pursue.

Ms. Eberly asked for a clarification of the footnotes on Page 14 of the CIP. Ms. Rivenburg explained that the CIP does not include any expenditures for the move of the Eugene Mall Transit Station, shelters, or the "Special Section" (across from Sears), in case the 10th & Willamette opening should cause such a move. Mr. Pangborn said no plans have been made for this as the final decisions concerning the opening have not been made. The footnote concerning this was added in case there are some unforeseen costs to be borne by the District.

**MOTION**

Ms. Nichols moved for approval of the CIP; the motion was seconded by Ms. Eberly. Ms. Calvert asked for discussion, to which Jim Hale, 464 Meredith Court, Eugene, replied that he would like to speak on the subject.

Mr. Hale commended the District on its move towards development of a CIP. He suggested the advertisement and holding of a public meeting geared specifically to this topic. He stated that he regards CIPs as a "wish list," and commented that this one was more realistic than others he had

seen. He said that a 20-year period for a CIP is longer than most, but indicates a good direction. He believes that acquiring a new facility is "entirely reasonable."

Mr. Hale said the fleet increase called for in the CIP indicates a doubling of the current fleet, and is well within the vehicle recommendations made by the facilities consultants--it is actually less, in his opinion. Mr. Hale has also determined that the District is expecting a "rough doubling" of riders. Compared with the almost doubling of the fleet, he has concluded that it looks as though the District is, in fact, only planning for a two percent transit ridership goal. Because of this, he objects to the adoption of the current CIP. He suggested only adoption of the first year of the CIP at this meeting, and to decide on the rest after District staff have had a chance to review the initial draft of the Transportation Plan (TransPlan). He also discussed the money slated for 10 articulated buses; in the ECO study, articulated buses were considered to be used in very narrow circumstances. The study indicates headways must be very short and traffic must be heavy before articulated buses are needed. He suggested the Board should know what routes the buses will be used on before approving this expenditure.

Mr. Pangborn responded to Mr. Hale's concerns by stating that the ridership model referred to on Page 12 of the packet is one that will help the District look at ridership gains on a short-term basis--for the next two to three years. Four to five years ago, the District had students from the Urban Planning Department at the University of Oregon conduct a study to develop a set of criteria which would aid the District in looking at ridership for the next two to three years. That study took into consideration factors of employment, price and availability of gas, population density, and other related areas. The study was used by District staff as a budgeting tool, but now, as some time has passed since the study was formulated, it has become out-of-date. During the last two years, the study has not been used at all due to its current inaccuracy.

Mr. Pangborn went on to state that the District's Planning staff's opinion differs with the ECO report on the subject of articulated buses. He explained that the main issue is not really one of purchasing articulated buses or not--that will have to be determined later--what is important now is the issue of much-needed expanded transit facilities. The next three years are the ones to be looked at the most carefully. The later years of the CIP are mainly an indication to the Board of where the District is heading, and what types of obligations and needs are anticipated. On the other hand, all these types of expenditures are primarily funded by the federal government. And, if the government is successful in pulling out these funds, as has been proposed, the District will have to rethink the entire CIP. In response to Mr. Hale's comment about the transit goal, based upon these budget considerations, the District does have an ambitious--but realistic--goal for transit, although at this time it must take a more fiscally conservative approach towards the budget.

Ms. Calvert asked for any comments. Ms. Nichols asked if an approval of the CIP at this meeting would tie the hands of any future District Board. Mr. Pangborn replied that the CIP will be reviewed every year by both the Board and the Budget Committee. Mr. Brandt asked when the Board would receive the final information regarding the new facilities. Tim Dallas, Director of Operations, replied that the Facilities Subcommittee will meet on April 30 to prepare a final recommendation on the new facilities; that recommendation will be brought to the Board for their decision in a special meeting on May 7, which will take place before the Budget Committee meeting that same evening.

After Mr. Brandt called for the question, Ms. Calvert said the motion had been made and seconded to accept the CIP as presented in the agenda. The motion carried unanimously.

VOTE

FISCAL YEAR 1985-86 GOALS: Mr. Pangborn explained that the goals were similar to those of last year, with a couple of significant changes: 1) Service was ranked as a second priority last year. This year, with the potential for loss of federal dollars and the slowing of growth of payroll taxes, staff are proposing to lower the priority of service. 2) Because of this, increasing passenger revenues is now considered the number one priority. In the area of efficiency, the new third priority, also because of budget constraints, the District needs to look at performing its functions more efficiently. That area covers staff efficiency, utilization of computers, and incentive programs and staff training. In the area of service, the District will be looking at making the most of current service levels, and is anticipating adding very minor service, if at all. Concerning public support, there is strong participation by staff in local business groups, community groups, and chambers of commerce. These goals, if adopted, will be used by staff in development of the budget.

Mr. Brandt asked what pursuing legislative actions, as listed under the category of revenues, has to do with passenger revenues. Mr. Pangborn explained that there had been discussion regarding a local sales tax as an option for funding transit, which explains why this was put into the larger category of revenue, although he agreed with Mr. Brandt that it had little to do with passenger revenues, and probably should be in a category of its own.

Mr. Brandt indicated he did not agree with the prioritizing of categories. He felt that all categories were important to the overall goal of improved service and increased ridership. Ms. Calvert asked for clarification of the implementation of the fare policy, also listed under the category of revenue. Mr. Pangborn reminded the Board that a new policy had recently been put together by staff, and that is what was being implemented. Mr. Brandt asked what would happen if the goals were adopted. Mr. Pangborn said they would be regarded by staff as a good indication of the Board's priorities, and would be used as a goal-setting document. Ms. Nichols said she saw them mainly as categories, rather than a prioritized order of goals. Mr. Pangborn said they are traditionally listed in priority order, as they are tied to allocation of resources, but they

could be changed, if the Board so chose. Mr. Pangborn agreed that the goals are all important.

Mr. Brandt said he would like to have seen the wording of "pursue legislative actions" changed to "consider legislative actions," although the Board in general agreed with the original wording. Ms. Eberly said, if the list was in a prioritized order, that the order was not as she wanted. She suggested looking at them simply as Board goals. Mr. Brandt added that, if these are considered in that sense, he would agree with them; Ms. Nichols concurred. Mr. Brandt moved adoption of the goals and objectives as presented, after eliminating the prioritized order. The motion was seconded by Mr. Parducci, and was passed unanimously.

MOTION

VOTE

LOAN RESOLUTION: Mr. Brandt moved adoption of the loan resolution included in the Board packet. Ms. Nichols seconded the motion, and it was passed unanimously.

MOTION

VOTE

In relation to this, Mr. Pangborn passed out a copy of a letter being sent to all payroll taxpayers and certified public accountant firms regarding the District's sale of the tax credit it received (and cannot use) for the purchase of the new buses.

ITEMS FOR INFORMATION AT THIS MEETING:

Review of Design for Willamette Street Opening: Mr. Pangborn introduced three members of the City staff: Pat Lynch and Elaine Stewart, with Eugene Development Department (EDD), and Dave Rinehart, Transportation Engineer with Public Works, who is also a member of the Design Review Team assigned the task of designing the opening of the street.

Mr. Lynch spoke briefly on the public review process regarding the opening of Willamette Street between 10th and 11th Avenues. A series of public meetings will take place in the near future to discuss the upcoming opening. The recommendations received by the Board at this meeting will be taken to the Eugene Downtown Commission for a public hearing on the proposal on Wednesday, March 27, 7:30 a.m. This will be followed by a Planning Commission public hearing on Tuesday, April 2, 7:30 p.m. A City Council meeting will follow that, to be held on Monday, April 8, 7:30 p.m. Construction on the opening of the street will take place during July through September, with completion expected by the end of September.

Mr. Rinehart then began his presentation on the proposed design of the street. He displayed a "functional layout chart" of the street, and described various aspects of the design, explaining that several different scenarios were looked at before arriving at the present design. The design showed a "raised median," or center, of what will be a two-way street between 10th and 11th Avenues. It was hoped that this median would be useful as a psychological device to the motorist that this is not a high-speed street. At the northern end of the street, the sidewalks would become slightly wider, enabling a shorter walking distance after waiting for lights to change.

Mr. Brandt said he felt the design had many constraints. He felt the narrow opening on the northern end of the street would lead to a bottleneck of traffic. Ms. Calvert asked why the street was not designed as a one-way street going south. Mr. Rinehard replied that city officials wanted it designed to allow more people to head into the mall, rather than out. Ms. Eberly had concerns about congested bus/car interactions at the northern end of the street. Mr. Rinehard said the northern intersection of the street would be closed for construction for only two to three days in May, the work probably being done over a weekend.

Mr. Pangborn stated that one item the Board originally proposed to the City Council was, if Willamette were opened, would the City handle the reconsolidation of the transfer stations. He asked Mr. Rinehard if that was considered by the Design Review Team. Ms. Stewart replied to this question, saying that District staff have expressed concerns over this issue, and that the City is open to considering plans for this, although she stated no proposals have yet been submitted to City officials by District staff.

Ms. Eberly asked a question about the proposed parallel parking on the sides of the street. She wondered if that type of parking would cause delays in traffic flow. Mr. Rinehard said that typical parallel parking would cause some delays, but the spaces are to be designed so as to allow for "tandem" parking, a design which allows extra room either at the back or in front of each parking space so that cars can pull into the space with enough room to either back up or pull into it. This design has been used in other areas of downtown, he said. He felt the design was a workable one for both bus and car use.

Ms. Calvert asked the cost estimate of the project. Mr. Rinehard said a preliminary estimate is a total of \$400,000. Ms. Calvert asked when the reconsolidation issue is to be considered by the City. Mr. Rinehard replied he had no concrete answer for that; Ms. Stewart added that there is no set timeline for consideration of that.

Mr. Brandt stated his belief that this design will not work, and that there was not proper consideration given to the District by the City. Mr. Rinehard responded by saying it was his understanding, after speaking with District staff, that it was the District's intention to eventually move to an off-street facility, anyway. Because of that, he believes, in the short run, this design will work. Ms. Calvert said the District would not have recently built and invested into the Customer Service Center if they had intended to move it within a few years of construction. She believes that situation may have come up now because of the new complication of the opening of Willamette. Mr. Brandt said he could see where there will be problems with the opening, possibly causing the move of the Customer Service Center, and that someone will have to pay for it. Mr. Rinehard responded that the City Council will need to address that issue.

At this point, Stefano Viggiano stated that the design, as presented here, is acceptable to District staff. He went on to say the Task Force is not the right party to whom the District should address the larger question of major disruptions to the downtown transit station. Mr. Pangborn reiterated Mr. Viggiano's point, and, in response to a question by Mr. Brandt, stated negotiations with City officials would begin this week on that issue. The Board thanked Mr. Rinehard for his presentation.

**MOTION**

Widening of Sixth and Seventh Avenues: Mr. Brandt made a motion to endorse the widening of Sixth and Seventh avenues. Ms. Eberly seconded the motion. Ms. Calvert asked for discussion. Mr. Brandt stated he made the motion because he felt it will help economic development in the area, from which the District would also benefit. Ms. Nichols said the memorandum from Phyllis Loobey in the Board packet had laid out very well the questions the Board had regarding this. She added that she was very impressed with Ms. Loobey's response. The Board unanimously endorsed the widening. Ms. Calvert explained this vote meant the Board would simply go on record for endorsement of the widening.

**VOTE**

Clarification of Transit Goal: Mr. Pangborn said the memorandum in the Board packet from Mr. Viggiano clearly laid out the goal of the District in this area. If the Board had questions regarding this, he suggested directing them to Mr. Viggiano. He did state that he realized there were differences between the District's transit goal and the ECO report, but that he saw them as two different items.

Mr. Viggiano stated there was a correction in the memorandum--the eight percent goal would require carrying 37 million persons trips, not 28 million persons trips.

Negotiation Process: Due to the lateness of the meeting, Mr. Dallas briefly explained the upcoming negotiation process of the current union contract, which is due to expire on June 30 of this year. The District's drivers, mechanics, and information clerks are members of the Amalgamated Transit Union, which negotiates on their behalf. The District's negotiating team consists of Mr. Dallas; David Harrison, Personnel Director; and Bob Hewitt, of Cascade Employers, which is a labor relations firm on retainer to the District. Mr. Dallas expects the first meeting with the Union to occur the second week of April. He will probably have a progress report for the Board in May. He hopes to have the negotiations completed by the June 30 contract expiration.

Winter 1985 Route Segment Analysis Results and Petitions for Service to Marcola and Additional Service to McKenzie Bridge: Mr. Pangborn explained that every winter an annual route review is conducted to learn what routes are doing/not doing well, so the Planning staff can incorporate improvements in those routes into service changes in September of each year.

In relation to this, some petitions have been received by the District from citizens of both the Marcola area and McKenzie Bridge area to offer service changes in those areas. Those requests will be incorporated into

the Annual Route Review, and staff will come back to Board with some recommendations about whether changes in service are or are not warranted in those cases. The Marcola area, although once within the District boundaries, was removed from those boundaries. If the Board feels service is warranted in that area, District staff would go to the governmental jurisdiction responsible for that area--in this case, the Lane County Commissioners--and ask for their recommendation.

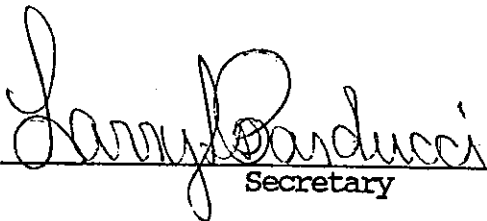
One-Day Seminar--Building Better Boards: Staff informed the Board members that, if they are interested in attending this upcoming seminar, they can contact staff to request more information about it.

Note from Employee of the Year: Included in the Board packet was a note of thanks from Paul Stuart, who was chosen as the 1984 Employee of the Year for the District. The Board thought it was a very nice gesture, and asked staff to thank Mr. Stuart in turn.

Ride on an 800 Series Bus: Due to the late hour, it was decided to postpone the ride on one of the new buses to another time.

ADJOURNMENT: Mr. Brandt moved to adjourn the meeting. Ms. Nichols seconded the motion, which passed unanimously. The meeting was adjourned at 9:52 p.m.

MOTION  
VOTE

  
Secretary

BDMN3-12.SBE



April 16, 1985

MEMO

TO: LTD Board of Directors

FROM: Mark Pangborn  
Director of Administrative Services

RE: Oregon Country Fair--Service Request

Attached to this memorandum you will find a service request from the Oregon Country Fair Board. In the past, LTD has played a crucial role in transporting Fair attendees from downtown Eugene to the Fair site in Veneta and back. Because there is limited access and parking at the Fair site, LTD has been very effective in moving a large number of people to and from the Fair site over a short period of time, and thereby reducing traffic congestion. In the last two years, over 12,000 rides per year were taken on LTD buses.

In the past, service has been provided on a charter basis. That is, the Oregon Country Fair has chartered all service to their fairgrounds. This year, the Fair Board has asked LTD to consider a different arrangement. Because of the questions asked by the Board in the past about LTD's role in providing transportation to the Fair, it seemed appropriate to bring the Fair request directly to the Board.

The Fair Board is requesting an arrangement similar to the one LTD has with the Lane County Fair. They wish to purchase the entire system for the Friday, Saturday and Sunday that the Fair is in session. They would replace lost farebox revenues which are estimated to be \$4,814.

Additionally, they would charter the same level of service as last year to carry people to the Fair site. They are asking the District to share the cost of providing this special service. The current hourly cost of service is \$35, although we have used \$40 an hour to allow for any charter rate increases. Last year the Fair chartered approximately 337 hours of service ( $337 \times \$40 = \$13,480$ ). The Fair is asking to pay the current goal of the District's farebox-to-operating cost ratio of 30% ( $337 \times \$40 = \$13,480 \times 30\% = \$4,044$ ). The District would pay the remaining cost of \$9,436 for this special service.

Oregon Country Fair, Cont.  
Page 2  
April 16, 1985

	<u>Oregon Country Fair Costs</u>	<u>LTD Costs</u>
Estimated Cost	\$3,652 Friday	
Fairbox Revenue	\$823 Saturday	
	<u>\$339</u> Sunday	
Total	\$4,814	0
Special Service Costs:	<u>\$4,044</u> (30% of costs)	<u>\$9,436</u> (70% of costs)
TOTAL:	\$8,858	\$9,436

This promotion is similar to other promotions that the District has conducted. With the Lane County Fair, the Fair purchases the entire system for six days. Because of the high ridership on the system, the District does provide additional service, especially shuttle service, from the downtown and River Road Transit Stations to the Fair.

With the Joyride, the District did provide free service when downtown merchants provided 30% of the operating costs. The Joyride was a success and eventually was made part of the District's fixed route service in the form of the Downtown Shuttle.

The Oregon Country Fair staff have indicated that they have a limited budget. The District is concerned that if adequate service is not provided to the Fair and there are stranded passengers and too few buses, it will be the District that suffers.

This is a complex question and, because a decision will involve policy considerations, the staff felt that it should be brought to the Board.



Mark Pangborn  
Director of Administrative Services

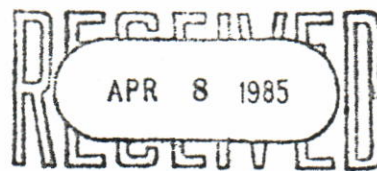
MP/em

attachment



# Oregon Country Fair

LANE TRANSIT DISTRICT



4/5/85

Janet Calvert  
LTD Board President  
PO Box 2710  
Eugene, OR 97402

By \_\_\_\_\_

Dear Friends,

The Oregon Country Fair is pleased to continue working with LTD to provide transit service to the 1985 Fair. This year the Fair will be held July 12, 13 and 14. While the planning for the Fair is proceeding on schedule, some decisions relative to LTD need to be made soon. Of particular importance to us this year is improving the transit service offered to the Fair-going public and expanding our sponsorship of transit service county-wide.

We request that the LTD Board of Directors approve the proposal for 1985 transit services to the OCF. It is our belief that a cooperative transit venture between the OCF and LTD would best serve the needs of metro Lane County commuters during the three days of the Fair.

We recognize the necessity of the LTD Board to have confidence that a supportive decision is backed up with substantial reasoning. We see the benefits of jointly promoting transit during the Fair far outweigh the costs. Financially the proposed service package would include the OCF purchase of the entire LTD route system at a cost of \$4814. In addition the OCF would purchase an equivalent amount of service-hours as last year at 30% of the special service rate equaling approximately \$4044. We fully recognize the financial contribution of LTD and its important place in making this promotion successful.

LTD should expect a strong cooperative marketing relationship with the OCF. Both of us can accrue many positive benefits from helping people get where they want to go. The 1985 OCF budget has \$5,000 allocated to Advertising. With LTD Board approval of the OCF service package, we will further highlight LTD in our promotion. We want to be in LTD's Totally Transit Coupon Book and utilize exterior advertising on the buses. And of course, we'll encourage everyone to ride the bus for free during the Fair weekend.

Over the past few years passenger trips to and from the Fair have exceeded 12,000. This amounts to roughly one third of all trips made out to the Fair. We feel this is a substantial number of riders and it

**P.O. Box 2972 Eugene, OR 97402**

demonstrates the effectiveness of providing transit service to the Fair. With the OCF funding and promotion of free bus service, it should be expected that non-Fair ridership, on LTD's established routes will increase. LTD staff estimates this may be an additional 3,000 trips over the three days.

After 17 years the Oregon Country Fair has become an established Lane County institution. People expect the Fair to be put on every year and Fair-goers view transit to the Fair as a normal, predictable service. While it is encouraging to see the buses so well used, the support has caused some parking problems in downtown Eugene. Many Fair-going transit passengers will drive into downtown and utilize off-street parking facilities for all-day storage of their vehicle. By offering free transit service everywhere, people will be able to leave their car at home. Fair-goers can transfer to the Fair "shuttle" downtown or drive to the River Road transit station and take the bus to the Fair from there.

In addition to the many benefits already illustrated, transit service to the Fair alleviates environmental impacts through a reduction of vehicle trips, vehicle miles travelled, gasoline consumed and pollutants emitted. A summary of last year's ridership shows:

- |   |                      |
|---|----------------------|
| * vehicle trip reduction                    | 12,000 one-way trips |
| * vehicle miles travelled, 13 miles one way | 156,000 miles        |
| * gasoline savings                          | 8,210 gallons        |
| * pollution reduction                       | 24,177 pounds        |
| - hydrocarbons (HC)                         | 1,548 lbs.           |
| - carbonmonoxide (CO)                       | 21,529 lbs.          |
| - nitrous oxides (NO <sub>x</sub> )         | 1,100 lbs.           |

These figures only take into account those passenger trips out to the Fair. If the savings are extended to those who would use the free service, the reductions would increase substantially.

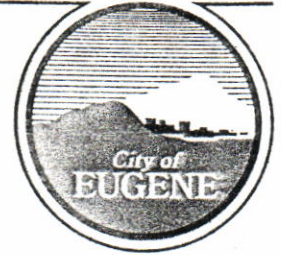
We are excited about this proposal and hope that LTD is too. With your support, both of our organizations can realize many benefits. We look forward to continuing our planning with LTD and a successful Fair weekend.

Sincerely,



Marshall Landman  
Oregon Country Fair  
Board of Directors

JOHN BALL  
RICHARD L. HANSEN  
FREEMAN HOLMER  
MARK LINDBERG  
BRIAN OBIE  
EMILY SCHUE  
BETTY SMITH  
CYNTHIA WOOTEN



April 9, 1985

Phyllis Loobey, Executive Director  
Lane Transit District  
1944 West 8th Avenue  
Eugene OR 97402

Dear Phyllis:

I am writing in support of the proposal by the Oregon Country Fair to lease the LTD system the weekend of the fair in Elmira, Oregon. The explanation for this position is quite simple.

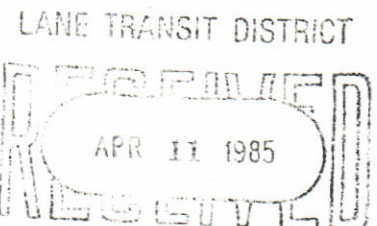
As you know, each year the OCF provides free bus service to their site from downtown Eugene. It reduces the amount of traffic in and out of the fair on Highway 126 and in general is more convenient and expedient for the fair-goer. More and more people are choosing the bus as the preferred transportation alternative. While we applaud that trend, it is creating a parking problem in downtown Eugene. Our merchants are expressing more and more concern that the limited space available for retail customers is being used by those catching the bus to the fair. Typically, those cars arrive downtown early in the morning and remain until after the closing of offices and stores. Allowing every passenger, including those going to the fair, to ride the bus from their home to the transfer station at no cost seems to be a good solution. I understand this is the same arrangement that is made with the Lane County Fair each year for similar reasons, and certainly providing bus rides for free has to help improve long-term ridership.

The Oregon Country Fair has been a part of life in Lane County for 15 years. I am pleased that they are in a position to alleviate difficulty for downtown Eugene at this time when attracting shoppers and enhancing retail opportunity is a top goal of the City of Eugene. Thank you for your serious consideration of the OCF proposal.

Sincerely,

Cynthia Wooten  
President  
Eugene City Council

CW:kb/0632a





April 4, 1985  
WP 46294-3B-4

Janet Calvert, Board President  
Lane Transit District  
Box 2710  
Eugene, OR 97402

Dear Ms. Calvert:

This letter is in support of your continued service to the Country Fair during their annual celebration. This service not only reduces traffic congestion (and resultant pollution) in the Veneta area, it also provides a welcome service to the people of the metropolitan area.

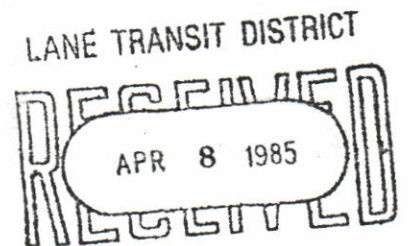
As an annual visitor to the fair, I have made use of your service as well as driving my own car. Needless to say, I prefer your service.

As a member of L-COG for the last nine years, I recognize the service you provide to Lane County and would again urge your support of the Country Fair.

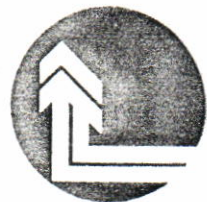
Sincerely,

  
Chuck Ivey  
Lane County Commissioner

CI:hmb



By \_\_\_\_\_



April 9, 1985  
WP 46302-3B-22

Janet Calvert, President  
Lane Transit District Board  
Box 2710  
Eugene, OR 97402

Dear Janet:

I would like to take the opportunity to share with you the enthusiasm and support I have for Lane Transit District's involvement with the Oregon Country Fair.

Oregon Country Fair, now in its 15th year, has truly become a well established community event. The fair attracts a broad variety of people who pay taxes in the Eugene-Springfield area and their attendance to the fair helps bolster the local economy.

The use of transit to this event helps our entire community in many ways by reducing pollutants, easing traffic congestion, and educating the community to the benefits of transit services.

It is with a perspective of experience that I share these thoughts with you. As regular patrons of the fair, my family and I have taken advantage of the bus service offered by LTD and the fair several times. We find that the bus service to the fair saves us time, avoids a long walk from the fair parking lots, and is in keeping with the cooperative community spirit of the fair.

It is great to see transit involved with the fair, since it highlights LTD's important role in the community. I am glad to know that LTD and the Oregon Country Fair are helping take people where they want to go.

Thank you for your continued support.

Sincerely yours,

Jerry Rust  
Lane County Commissioner

JR:hmb



April 10, 1985

Janet Calvert, Board President  
Lane Transit District  
P. O. Box 2710  
Eugene, Oregon 97402

Dear Ms. Calvert:

The Lane County Sheriff's Department has worked with and monitored the transportation impacts of the Oregon Country Fair for many years. Prior to the time that the Fair began contracting for transit service to the Fair site, traffic congestion was a major problem in the Veneta/Elmira area. Since the Lane Transit District has been involved, the congestion level along West 11th, and particularly near the Fair grounds, has markedly decreased.

Our department recognizes the Oregon Country Fair as an established annual event. With the involvement of the Lane Transit District, it appears that traffic problems have lessened and since people want to take the bus to the Fair, it makes our job easier, since fewer vehicles are on the road. We do feel that without the bus service that traffic congestion would necessitate additional personnel to deal with keeping the traffic flowing.

The Oregon Country Fair is a well-established community event that attracts a variety of people from this community. It's great to see Lane Transit District involved.

Very truly yours,

David N. Burks, Sheriff/Director  
Department of Public Safety

Howard R. Kershner, Lieutenant  
Police Services Section

DNB:HRK:cc

LTD BOARD MEETING  
04/16/85 Page 43



April 16, 1985

MEMORANDUM

TO: LTD Board of Directors  
FROM: Mark Pangborn  
RE: Contract Review Board

In this Board packet, you will find a set of staff recommendations concerning public bidding and contracting. You will remember that this item came to the Board some months ago, but the rule making was deferred until the rules could be simplified. The District has met with legal counsel and simplified the rules.

At the time action was deferred, the Board suggested that a subcommittee be convened if some reasonable procedures could not be worked out. Staff have developed what we feel to be a rational set of procedures and, therefore, are bringing the action directly to the Board.

There are three actions required by the Board in this matter:

1. The first consideration is for the Lane Transit District to adopt rules for public bidding and contracting. These rules are in accordance with state law, but take into account the District's own operational needs. Because the District is involved in so much bidding and contracting, it is wise to have specific District procedures relating to those functions.
2. The second consideration is for the Board to constitute itself as the District's public contract review board.

At its April 10, 1984 meeting, the Board adopted Ordinance No. 26, which established the LTD Board of Directors as a public contract review board. The purpose of a contract review board is to settle disputes, decide appeals by vendors, and establish contracting procedures. The establishment of a LTD Contract Review Board became necessary when the State of Oregon ceased funding the State Contract Review Board. Ordinance No. 26 was subsequently not filed with the Circuit Court within the allotted time limit and must be re-adopted. Staff recommend that it be adopted as an emergency ordinance in order to immediately adopt operating rules to allow the LTD Contract Review Board to function.

LTD Board of Directors Regular Meeting  
April 16, 1985  
Page 2

3. The third consideration is for the newly constituted LTD Contract Review Board to meet and adopt its own operating rules. Again, staff have worked with legal counsel to develop a set of rules consistent with state law and LTD needs. The Board needs to adjourn from its regular meeting, reconvene as the Contract Review Board, and adopt these rules.



Mark Pangborn  
Director of Administrative Services

MP:sbe

LITDCRB.SBE



LANE TRANSIT DISTRICT  
PUBLIC BIDDING AND CONTRACTING RULES

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LANE TRANSIT DISTRICT  
PUBLIC BIDDING AND CONTRACTING RULES

GENERAL

Section 1. Definitions.

For purposes of these rules the following definitions apply:

1. **Bid:** A competitive offer in which price, delivery (or project completion) and conformance to specification will be the predominant award criteria.
2. **Bid Documents:** Documents issued by LTD to prospective bidders, explaining bid procedures and requirements.
3. **Bidding Period:** The span of time between the date of the invitation to bid and bid closing.
4. **Date of Invitation to Bid:** The date when the first advertisement for bids is published.
5. **Bid Closing:** The date and time announced as the deadline for the receipt of bids (at least five days after last advertisement for bids).
6. **"Receipt" of Bid or Other Document by LTD:** Occurs when the bid or document is actually delivered to LTD's main office.
7. **Lowest Responsible Bidder:** The lowest bidder who has substantially complied with all prescribed public bidding procedures and requirements and who has not been disqualified by LTD under ORS 279.037. (ORS 279.029(1)).
8. **Descriptive Literature:** Materials submitted by prospective vendors to provide information concerning the products available in response to the bid;
9. **Bid Sample:** A representative specimen of the item that will be available in response to the bid.
10. **Contract Release Order:** The document authorizing an additional purchase on an existing requirements contract.
11. **LTD:** Lane County Mass Transit District.

12. **Director:** LTD's Director of Administrative Services.

13. **Public Contract:** Any purchase, lease or sale by LTD of personal property, public improvements or services other than agreements which are for personal service.

14. **Public Improvement:** Project for construction, reconstruction or major renovation on real property by or for LTD. Not included in the definition are emergency work, minor alteration, ordinary repair or maintenance necessary in order to preserve a public improvement (ORS 279.011(6)).

15. **Personal Services:** Services performed as an independent contractor in a professional capacity, including but not limited to:

- a. Accountant;
- b. Attorney;
- c. Architectural or land use planning consultant;
- d. Physician;
- e. Dentist;
- f. Registered professional engineer, appraiser, or surveyor;
- g. Passenger aircraft pilot;
- h. Aerial photographer;
- i. Timber cruiser;
- j. Broadcaster;
- k. Artist in the performing or fine arts, including but not limited to photographer, filmmaker, painter, weaver, and sculptor;
- l. Consultant;
- m. Educational or human custodial care;
- n. Services of a specialized, noncommercial, and creative or research-oriented nature.

"Personal services" does not include:

- a. Services, even if rendered in a professional capacity, if the predominant result of the contract is a product (for

example, a contract with a landscape architect to design a garden is for personal services, but a contract to design a garden and supply all the plants is not);

b. Labor that is of a type that generally can be done by any competent worker, including but not limited to janitorial work, security guard work, crop spraying, laundry, and landscape maintenance; and

c. Trade-related activities, even if a specific license is required to engage in the activities.

## Section 2. Competitive Bidding.

All LTD public contracts shall be based upon competitive bidding except the following:

1. Contracts made with other public agencies or the federal government.
2. Contracts made with qualified nonprofit agencies providing employment opportunities for the handicapped.
3. Contracts specifically exempt in, or according to procedures described in, the rules of the LTD contract review board.
4. Construction and improvement projects costing less than \$50,000, if the LTD Board of Directors has approved the expenditure after obtaining plans, cost estimates and bids as it deems necessary (ORS 267.718).

## BID DOCUMENTS AND PROCEDURES

### Section 3. Bid Documents.

#### 1. The Bid Documents Shall Include the Following:

a. Instructions and information concerning bidding procedures:

- (i) Bid preparation and submission requirements (Sections 5 and 7);
- (ii) The time, date and place set for opening of bids;
- (iii) The time and date set for bid closing;

- (iv) The address to which bids are to be delivered;
- (v) Information about pre-bid conferences (Section 9);
- (vi) Bid protest specifications (Section 11);
- (vii) Procedures for claiming a confidential information exemption (Section 14); and
- (viii) Any other special information.

b. Where applicable, the purchase or sale description, specifications, delivery or performance schedule, inspection and acceptance requirements, and special evaluation factors; (Section 26).

c. The contract terms and conditions, including:

(i) Warranty and bonding or other bid security requirements, as applicable;

(ii) LTD's right to audit records of a successful bidder (Section 41);

(iii) LTD's right to enter the plant or place of business to inspect and test supplies and services for acceptance, or to investigate any bidder qualification, and procedures for such tests and investigations (Section 42);

(iv) Any progress payments requirements (Section 55 (P.I.))

d. All addenda issued by LTD. Addenda shall contain a provision that the bidder acknowledge receipt of all addenda, either with the bid or separately prior to bid opening.

**2. Statutory Terms and Conditions Applicable to All Contracts to which LTD is a Party (including but not limited to, public contracts as defined in Section 1 of these rules).**

a. In addition to the Oregon preference requirement in ORS 279.021(1), LTD's Director of Administrative Services shall establish standard terms and conditions including those applicable as prescribed by ORS 279.310 to ORS 279.575:

(i) Payment of laborers and materialmen; contributions to Industrial Accident Fund; liens and withholding taxes (ORS 279.312);

(ii) Payment of claims by public officers (ORS 279.314);

- (iii) Hours of labor (ORS 279.316 and 279.338);
- (iv) Environmental and natural resources regulations (ORS 279.318);
- (v) Payment for medical care and attention to employees (ORS 279.320);
- (vi) Voluntary termination of the contract (ORS 279.326);
- (vii) Suspension of the work (ORS 279.328 - 279.333);
- (viii) Maximum hours and overtime (ORS 279.334);
- (ix) Claims for overtime (ORS 279.336);
- (x) Overtime requirement for local governments (ORS 279.340 and 279.342);
- (xi) Prevailing wage rates (ORS 279.348 - 279.365);
- (xii) Retainage (ORS 279.400 - 279.430 and ORS 279.575);
- (xiii) Contractor's bond (ORS 279.526 and 279.536);
- (xiv) Notice of claim (ORS 279.528);
- (xv) Labor and material liens (ORS 279.538 and 279.540);
- (xvi) Liability in absence of bond (ORS 279.542);
- (xvii) Progress payments (ORS 279.575).

b. Such terms and conditions shall become an integral part of each contract.

### 3. Special Terms and Conditions.

LTD's Director of Administrative Services may also establish special terms and conditions applicable to specified categories of contracts. Any special terms and conditions shall be included in the bid documents and become an integral part of those contracts.

### 4. Compliance and Exceptions to Terms and Conditions.

a. Bidders are responsible for noting the terms and conditions included as applicable to each set of bid documents.

b. By signing and returning the bid proposal form, the bidder is acknowledging acceptance of and the intent to abide by the terms and conditions.

c. Any exceptions to the terms and conditions must be clearly stated in writing by the bidder in the signed returned

proposal. LTD reserves the right to reject any bid which takes exception to the terms and conditions. Exceptions to the terms and conditions become contractual obligations only upon written acceptance by LTD.

#### Section 4. Public Notice.

1. **Distribution.** Bid documents or notices of the availability of bid documents shall be mailed or otherwise furnished to a sufficient number of bidders for the purpose of securing competition. Notices of availability shall indicate where, when, and for how long the bid documents may be obtained; generally describe the supply, service or construction desired; and may contain other appropriate information. LTD may charge a fee or require a deposit for the bid documents.

#### 2. **Advertising.**

a. Unless exempted every formal solicitation of bids shall be advertised. An advertisement for bids shall be published at least once in at least one newspaper of general circulation in the area where the contract is to be performed and in as many additional issues and publications as the general manager may determine to be necessary or desirable to ensure competition.

b. All advertisements for bids shall state:

(i) Bid closing, which date shall not be less than five days after the date of the last publication of the advertisement.

(ii) The place where bids will be received.

(iii) The definition of "receipt" of bids.

(iv) The date that prequalification applications must be filed if prequalification is a requirement.

(v) The character of the work to be done or the items to be purchased.

(vi) The office where specifications may be seen.

(vii) The name and title of the person designated to receive bids.

(viii) The date, time and place that bids will be publicly opened.

(NOTE: IF THE CONTRACT IS FOR A PUBLIC IMPROVEMENT, THERE ARE ADDITIONAL ADVERTISING REQUIREMENTS. SEE SECTION 51 PI)

#### Section 5. Bid Preparation.

1. Bids shall be typed or prepared in ink and shall be signed in ink by the bidder or an authorized representative of the bidder.
2. Bids shall be made on the bid form provided.
3. Alterations or erasures, if any, shall be initialed in ink by the person signing the bid.
4. Bids shall contain a fully executed bid package, including all required documents and descriptive literature.

#### Section 6. Bidder Prequalification and Disqualification.

1. **Prequalification Deadline.** The LTD Board may, by ordinance or resolution, require bidders to prequalify. The ordinance or resolution shall include the time for submitting prequalification applications and a general description of the type and nature of the contract or contracts that may be let. The deadline for receipt of prequalification applications must be set long enough after the date the invitation for bids is issued or advertised to allow prospective bidders a reasonable opportunity to complete and submit the application materials. In no event may the deadline be set earlier than fifteen days after the date of invitation for bids.
2. **Prequalification forms.** Prequalification procedures and forms must be included in the invitation for bids. The forms must include the form prescribed by the Director of the Department of General Services of the State of Oregon.
3. **Rebuttable presumption of qualification.** If a bidder is currently prequalified by either the State Department of Transportation or the State Department of General Services to perform contracts, the bidder shall be rebuttably presumed qualified to perform similar work for LTD.

4. **Grounds for Disqualification.** LTD's Director of Administrative Services may disqualify any person as a bidder on a public contract if he finds:

a. The person does not have sufficient financial ability to perform the contract. If a bond is required to insure performance of a contract, evidence that the person can acquire a surety bond in the amount and type required shall be sufficient to establish financial ability;

b. The person does not have equipment available to perform the contract;

c. The person does not have key personnel available of sufficient experience to perform the contract;

d. The person has repeatedly breached contractual obligations to public and private contracting agencies; or

e. The person fails to supply promptly information requested by the Director of Administrative Services, and which is necessary to determine whether the person is qualified.

5. **Notice of Decision.** LTD's Director of Administrative Services must approve or disapprove each application and notify the applicant of the decision no later than ten days before the bid opening or thirty days after the application is received, whichever is earlier.

a. If the bidder is prequalified, the notice shall describe the nature and type of contracts that the prospective bidder is qualified to bid on and the time period for which the prequalification is valid.

b. If the prospective bidder is disqualified, the notice shall specify:

(i) which subsections of ORS 279.037 the prospective bidder failed to comply with. Unless the reasons are specified, the bidder shall be deemed to have been prequalified in accordance with the application;

(ii) The effective date of the disqualification and effective period of the disqualification;

(iii) A statement of the contractor's appeal rights and appeal deadlines.

6. **Revocation of Prequalification.** If LTD's Director of Administrative Services subsequently discovers that a person

revoke the prequalification upon reasonable notice to the prospective bidder, provided that such revocation shall be invalid as to any contract for which an advertisement of bids has already been made.

**7. Trade Secret Information.** Any information voluntarily submitted by a bidder or prospective bidder pursuant to an investigation under subsection 3 (e) of this section or in any other prequalification documents submitted by such person, shall be deemed a trade secret pursuant to ORS 192.500(1)(b) and (e) if requested by the person submitting the information.

**8. Appeal of Disqualification.** Any person who wishes to appeal disqualification as a bidder shall, within three business days after receipt of notice of disqualification, notify LTD's Director of Administrative Services that the person appeals the disqualification. Immediately upon receipt of such notice of appeal, LTD's Director of Administrative Services shall notify the LTD Contract Review Board of the notice of appeal, and comply with that Board's rules governing appeal procedures.

#### Section 7. Bidder Submissions.

**1. Bid Samples and Descriptive Literature.** Bid samples or descriptive literature may be required when it is necessary to evaluate required characteristics of the items bid. Bid samples will be returned in accordance with provisions contained in the bid documents.

**2. Identification of Bids.** Bids shall be submitted in a sealed envelope, appropriately marked, to ensure proper identification and special handling.

**3. Receipt of Bid.** It is the bidder's responsibility to ensure that bids are received by LTD prior to the stated bid closing time.

#### Section 8. Bid Security.

**1. Public Improvement Contracts.** Bid security not to exceed 10 percent of the base bid(s) shall be required for public improvement contracts where the amount of the contract exceeds \$10,000. The bid security shall be forfeited if the bidder fails to execute the contract promptly and properly if awarded. (ORS 279.031).

**2. Other Public Contracts.** Bid security not to exceed 10 percent of the bid may be required by LTD for other contracts in

order to guarantee acceptance of the award. This requirement shall be stated in the bid documents.

3. **Contracts Under \$10,000.** Bid security for contracts of less than \$10,000 shall be required only in critical circumstances, so as not to discourage competition.

4. **Form of Bid Security.** The following forms of bid security will be accepted by LTD:

a. Surety bond from a surety company authorized to do business in the State of Oregon;

b. Cashier's check, certified check, or savings and loan secured check; or

c. Annual surety bond filed with LTD (except for public improvements contracts).

5. **Return of Bid Security.** The bid security of all unsuccessful bidders shall be returned after a contract has been executed, or all bids have been rejected. LTD may return the bid security of unsuccessful bidders after bid opening but prior to award, if the return does not prejudice bid award and provided that the security of at least the three lowest bidders is retained pending the execution of a contract.

#### Section 9. Pre-Bid Conferences.

At the option of LTD's Director of Administrative Services, pre-bid conferences may be held to explain the procurement requirements or conduct site inspections. The Director of Administrative Services may require attendance at the pre-bid conference as a condition for bidding. Such conferences shall be announced to all prospective bidders in the bid documents. The pre-bid conference shall be held within a reasonable time after the bid documents have been issued to allow bidders to become aware of it, but sufficiently before bid closing to allow consideration of the conference results in preparing bids. Statements at the pre-bid conference shall not change the bid documents unless confirmed to all prospective bidders by means of a written addendum to the bid documents.

#### Section 10. Brand Name Products.

1. Specifications for public contracts shall not expressly or implicitly require any product by any brand name or mark, nor the product of any particular manufacturer or seller except pursuant to Sections 12, 21, 31, and 55 of the LTD Contract Review Board Rules, or this section.

2. LTD may identify products by brand names so long as "approved equal" or "or equal" is included in the bid documents.

Section 11. Protest of Bid Specifications.

1. **Time for Submission of Protest.** Protests of bid specifications shall be presented to LTD in writing in accordance with the following timelines:

a. Public Improvement Contract -- receipt by LTD ten calendar days prior to bid closing;

b. Other Public Contracts -- receipt by LTD five calendar days prior to bid closing.

Such protest shall include the reasons for protest and any proposed changes to specifications. No protest against award because of the content of bid specifications shall be considered after the deadline established for submitting such protest.

2. **Extension of Opening Date.** If any bid specification protest is received in accordance with section 1 above, the bid opening date may be extended if necessary to allow consideration of the protest and issuance of any addenda to the bid documents.

3. **Identification of Protest.** Envelopes containing protests of bid specifications shall be marked as follows:

Bid Specification Protest  
Bid Number or Other Identification  
-----

Section 12. Changes to Bid Documents Shall be Accomplished by Addenda.

1. **Form.** The bidder shall acknowledge receipt of all addenda issued either with the bid or separately prior to bid opening, on the form included in the bid materials provided by LTD.

2. **Distribution.** Addenda shall be sent to all prospective bidders known to have obtained the bid documents or attending any mandatory pre-bid conferences.

3. **Timeliness.** Addenda shall be issued within a reasonable time to allow prospective bidders to consider them in preparing their bids. Where circumstances mandate quick action, and where the change or correction described in an addendum is minor, as determined at the discretion of LTD's Director of Administrative Services, the time period between issuance of the addendum and bid closing may be as

little as 72 hours, but in the absence of such a finding by the Director, the time period shall be at least five days. If necessary, LTD may notify prospective bidders by telegram or telephone, followed by a confirming written addendum.

Section 13. Pre-Opening Modification or Withdrawal of Bids.

1. **Modifications.** Bids once submitted may be modified in writing prior to the time and date set for bid closing. Any modifications shall be prepared on the company letterhead, signed by an authorized officer, and state that the new document supersedes or modifies the prior bid. Telegraphic modification shall not be accepted unless authorized in the bid documents. To ensure the integrity of the bidding process, the envelope containing any modifications to a bid shall be marked as follows:

Bid Modification  
Bid Number or Other Identification  
-----

2. **Withdrawals.**

a. Bids may be withdrawn by written notification on company letterhead signed by an authorized person and received prior to the time and date set for bid closing. Bids also may be withdrawn in person prior to the scheduled bid closing upon presentation of appropriate identification.

b. Unopened bids withdrawn under subsection (a) above, may be released to the bidder after voiding any date and time stamp used.

c. Requests to withdraw mailed bids shall be marked as follows:

Bid Withdrawal  
Bid Number or Other Identification  
-----

3. **Documentation.** All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate bid file.

Section 14. Receipt, Opening, and Recording of Bids.

1. **Receipt.** Upon its receipt, each bid and modification shall be time-stamped or marked by hand but not opened and shall be stored in a secure place until bid opening. If bids or modifications are opened inadvertently or are opened prior to the time and date set for bid opening because they were improperly identified by the bidder, the bids or authorized modification

documents shall be resealed and stored for opening at the correct time. When this occurs, documentation of this procedure shall be placed in the bid file.

2. **Opening and Recording.** Bids and modifications shall be opened publicly, at the time, date, and place designated in the bid documents. If witnesses are present at the bid opening, and to the extent practicable, the name of each bidder, the bid price(s), and such other information as considered appropriate, shall be read aloud. On voluminous bids, bidders may be advised as part of the bid documents that the bid items and prices will not be read aloud.

3. **Availability.** The opened bids shall be available for public inspection prior to award except to the extent the bidder designates trade secrets or other proprietary data to be confidential. ORS 192.500(1)(b). LTD's Director of Administrative Services shall verify and determine that the confidential information claimed to be exempt is in fact exempt from disclosure under the Oregon Public Records Law. Material so designated shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the nonconfidential portion of the bid. Prices, makes, model or catalog numbers of items offered, scheduled delivery dates, and terms of payment shall be publicly available regardless of any designation to the contrary.

#### Section 15. Late Bids, Late Withdrawals, and Late Modifications.

1. **Definition.** Any bid received after the time and date set in the bid documents for receipt of bids is late. Any request for bid withdrawal or modification received after the time and date set for bid closing is late.

2. **Disposition.** Late bids, late modifications, or late withdrawals shall not be considered.

#### Section 16. Mistakes in Bids.

1. **General.** Clarification or withdrawal of a bid because of an inadvertent, nonjudgmental mistake in the bid requires careful consideration to protect the integrity of the competitive bidding system, and to assure fairness. Except as provided in this rule, if the mistake is attributable to an error in judgment, the bid may not be corrected. Bid correction or withdrawal by reason of a nonjudgmental mistake is permissible but only to the extent it is not contrary to the interest of the public agency or the fair treatment of other bidders.

2. **Mistakes Discovered After Bid Closing but Before Award.** This subsection prescribes procedures to be applied in situations

where mistakes in bids are discovered after the time and date set for bid closing but before award.

a. **Minor Informalities.** Minor informalities are matters of form rather than substance that are evident from the bid documents, or insignificant mistakes that can be waived or corrected promptly without prejudice to other bidders or the public agency; that is, the informality does not affect price, quantity, quality, delivery, or contractual conditions except in the case of informalities involving unit price. Examples include, but are not limited to, the failure of a bidder to:

(i) Return the number of signed bids or the number of other documents required by the bid documents;

(ii) Sign the bid form in the designated block so long as a signature appears in the bid documents evidencing an intent to be bound;

(iii) Acknowledge receipt of an addendum to the bid documents, but only if:

A. It is clear from the bid that the bidder received the addendum and intended to be bound by its terms; or

B. The addendum involved did not affect price, quantity, quality, or delivery.

b. **Mistakes Where Intended Correct Bid is Evident.** If the mistake and the intended correct bid are clearly evident on the face of the bid form, or can be substantiated from accompanying documents, the bid may be accepted. Examples of mistakes that may be clearly evident on the face of the bid form are typographical errors, errors in extending unit prices, transposition errors, and arithmetical errors. For discrepancies between unit prices and extended prices, unit prices shall prevail.

c. **Mistakes Where Intended Correct Bid is Not Evident.** The director may not accept a bid in which a mistake is clearly evident on the face of the bid form but the intended correct bid is not clearly evident or cannot be substantiated from accompanying documents.

#### Section 17. Time for Acceptance.

Bids shall be valid for thirty days unless otherwise specified in the bid documents.

Section 18. Extension of Time for Acceptance of Bid.

Notwithstanding Section 17, after opening bids, the director may request orally or in writing that bidders extend the time in writing during which the public agency may accept their bids.

(Sections 19 - 25 Reserved for Future Expansion.)

BID EVALUATION AND AWARD

Section 26. General.

1. **Award to Lowest Responsible Bidder.** The contract, if awarded, is to be awarded to the lowest responsible bidder. Consistent with the provisions of the bid documents, awards may be made by item, groups of items, or entire bid in the public interest as determined by the director.
2. **Right to Reject Bids.** The director has the right to reject any bid not in compliance with the bid documents or all bids pursuant to ORS 279.035 when it is in the public interest to do so.
3. **Special Requirements.** The bid documents shall set forth any special requirements and criteria which will be used to determine the lowest responsible bidder.
4. **Product Acceptability.**
  - a. The bid documents shall set forth the evaluation criteria to be used in determining product acceptability. The director or contracting officer may require the submission of bid samples, descriptive literature, technical data, or other material, and may also provide for accomplishing any of the following prior to award:
    - (i) Demonstration, inspection or testing of a product prior to award for such characteristics as quality or workmanship;
    - (ii) Examination of such elements as appearance, finish, taste, or feel; or
    - (iii) Other examinations to determine whether the product conforms with specifications.
  - b. The acceptability evaluation is conducted only to determine that a bidder's offering is acceptable as provided in the bid documents. Any bidder's product which does not meet the minimum requirements shall be rejected. Product

rejections are not considered bidder disqualifications and are not grounds for appeal under ORS 279.043.

5. **Determination of Lowest Responsible Bidder.** Following determination of product acceptability as set forth in subsection (3) if any is required, bids will be evaluated to determine which bidder offers the lowest cost to LTD in accordance with the evaluation criteria set forth in the bid documents. Only objectively measurable criteria which are set forth in the bid documents shall be applied in determining the lowest responsible bidder. Examples of such criteria include, but are not limited to, transportation cost, volume weighing, trade-in allowances, depreciation allowances, cartage penalties, and ownership or life cycle cost formulas. Evaluation factors need not be precise predictors of actual future costs; but to the extent possible, such evaluation factors shall:

- a. Be reasonable estimates based upon information LTD staff has available concerning future use; and
- b. Treat all bids equitably.
- c. Recognize that public policy requires acquisitions and public improvements to be accomplished at the least cost. ORS 279.023(1).

6. **Restrictions.** Nothing in this section shall be deemed to permit contract award to a bidder submitting a higher quality item than that designated in the bid documents if such bidder is not also the lowest responsible bidder as determined under subsection (4) of this section. Further, this section does not permit negotiations with any bidder.

Section 27. Life Cycle Costing.

1. In determining the lowest responsible bidder for contract award, LTD may use life cycle costing in accordance with subsection 2 of this section. As used in this rule, life cycle costing means determining the cost of a product over its useful life.
2.
  - a. LTD shall identify those factors that will have cost implications over the life of the product, including but not limited to initial cost and operating and maintenance costs.
  - b. The invitation for bids shall clearly set out those factors and the methodology to be used in calculating life cycle cost adjustments.
  - c. The life cycle cost adjustments shall be applied to the base bid, and the bidder whose total adjusted bid is lowest shall be considered the lowest bidder.

Section 28. Low Tie Bids.

1. **Definition.** Low tie bids are low responsive bids from responsible bidders that are identical in price, fitness, availability and quality and which meet all the requirements and criteria set forth in the bid documents.

2. **Award.**

a. Low tie bids are subject to the Oregon preference contained in ORS 279.021(1):

"In all public contracts, the public contracting agency shall prefer goods or services that have been manufactured or produced in this state if price, fitness, availability and quality are otherwise equal."

b. Low tie bids that remain tied after application of the statutory Oregon preference shall be awarded according to the following sequence:

(i) Preference shall be given to the bidder whose principal offices or headquarters are located in Oregon.

(ii) If a tie still remains after applying (i) above, award shall be made by drawing lots among any tied Oregon bidders. Such bidders shall be given notice and an opportunity to be present when the lots are drawn.

(iii) If none of the tied bidders is located in Oregon, award of the contract shall be made by drawing lots.

Section 29. Rejection of Individual Bids or Proposals.

1. **General.** This section applies to rejections, in whole or in part, of individual bids or proposals. In accordance with ORS 279.035, the director may reject in whole or in part, any bid not in compliance with all prescribed bidding procedures and requirements, and may reject all bids if in the director's judgment it is in the public interest to do so. No bid shall be considered unless the bid security, properly executed, has been submitted with the bid as required by the bid documents.

2. **Reasons for Rejection.** Reasons for rejecting a bid include but are not limited to:

a. The bidder has not prequalified under ORS 279.039, or has been disqualified under ORS 279.037; or

b. The bidder has been declared ineligible by the Commissioner of the Bureau of Labor and Industries under ORS 279.361; or

c. The bid is not responsive, either in that it does not contain information or submissions required by the bid documents, or in that the supply, service, or construction item offered in the bid is unacceptable by reason of its failure to meet the requirements of the bid documents.

Section 30. Negotiation with Bidders Prohibited.

Unless a request for proposal is used, LTD shall not negotiate with any bidder prior to award of a contract. After award of the contract, modifications to the contract shall be made with change orders or addenda to the contract and in accordance with Section 20 of the LTD Contract Review Board Rules.

Section 31. Cancellation of Invitations to Bid.

1. **Cancellation in the Public Interest.** An invitation to bid may be cancelled, in whole or in part, and all bids may be rejected when it is in the public interest as determined by the director. The reasons therefor shall be made part of the bid file.

2. **Notice of Cancellation.** When an invitation to bid is cancelled prior to bid opening, notice of cancellation shall be sent to all holders of bid documents. When an invitation to bid is cancelled after bid opening, notice shall be sent to those bidders who submitted a bid. The notice of cancellation shall:

- a. Identify the invitation to bid;
- b. Briefly explain the reason for cancellation; and
- c. Where appropriate, explain that an opportunity will be given to compete on any resolicitation. (ORS 279.035)

Section 32. Disposition of Bids or Proposals if Bid Cancelled.

1. **Prior to Bid Opening.** When an invitation for bids is cancelled prior to bid opening, all bids received will be returned to bidders unopened, if submitted with a clearly visible return address. If there is no return address on the envelope, the bid will be opened to determine the source and then returned to sender.

2. **After Bid Opening.** When all bids are rejected, the bids

received shall be retained and become part of the public agency's permanent file.

Section 33. Documentation of Award.

1. **Basis of Award.** Following award, a record showing the basis for determining the successful bidder shall be made a part of the bid file.
2. **Contents of Award Record.** The record shall consist of:
  - a. Completed bid tabulation sheet.
  - b. Written justification for any rejection of lower bids.

Section 34. Foreign Contractor (ORS 279.021)

If the amount of the contract exceeds \$10,000 and the contractor is a "foreign contractor," the contractor shall promptly report to the Oregon Department of Revenue on forms to be provided by the Department of Revenue the total contract price, terms of payment, length of contract and such other information as the Department of Revenue may require before final payment can be received on the contract. A copy of the report shall be forwarded to the agency. The above requirements must be complied with before final payment is made on the contract. For the purposes of this rule, a foreign contractor is one who is not domiciled in or registered to do business in the State of Oregon.

Section 35. Availability of Award Decisions.

1. **Contract Documents.** A signed purchase order, price agreement, or contract document, as applicable, shall be sent to the successful bidder.
2. **Notification of Unsuccessful Bidders.** Unsuccessful bidders need not be notified. Tabulations of awarded bids may be obtained for a nominal charge in person or by submitting to LTD a written request stating the bid number and a self-addressed, stamped envelope.
3. **Availability of Bid Files.** Completed bid files shall be available for public review at LTD's main office.
4. **Copies from Bid Files.** Copies of material from bid files, other than previously described tabulation sheets, may be obtained upon payment of a reasonable copying charge.

(Sections 36 - 39 Reserved for Future Expansion)

## CONTRACT PERFORMANCE

### Section 40. Performance Security.

1. **Notice to Bidders.** Performance security requirements set forth in this section shall be stated in bid documents.
2. **Public Improvements Contract.** Except in emergencies, when the requirement may be waived pursuant to ORS 279.029(3), a performance bond in a sum equal to the contract price shall be required for all public improvement contracts in excess of \$10,000.
3. **Other Public Contracts.** LTD need not require performance security for other public contracts, except that LTD shall require a performance bond:
  - a. On a contract for the purchase of goods valued at more than \$100,000; or
  - b. If the goods are rolling stock or specially manufactured; or
  - c. If the contract requires any payment by LTD before LTD's acceptance of the goods.
4. **Contracts Under \$10,000.** Performance bonds for a contract under \$10,000 shall be utilized only in critical circumstances, so as not to discourage competition.
5. **Requirement for Surety Bond.** A surety bond furnished by a surety company authorized to do business in Oregon is the only acceptable form of performance security unless specified in the bid documents.
6. **Time for Submission.** Upon request by LTD the apparent successful bidder must furnish the required performance bond within ten days. Prompt submittal of the performance bond is required to ensure timely project initiation. Failure to furnish the bond prior to the deadline may result in rejection of the bid, and forfeiture of bid security and award to the next lowest responsible bidder.

### Section 41. Right to Audit Records.

1. **Audit of Cost or Pricing Data.** LTD may, at reasonable times and places, audit the books and records of any person who has submitted cost or pricing data according to the terms of a contract to the extent that such books and records relate to such cost or pricing data. Any person who receives a contract, for

which cost or pricing data are required, shall maintain such books and records that relate to such cost or pricing data for three years from the date of final payment under the contract, unless a shorter period is otherwise authorized in writing.

2. **Contract Audit.** LTD shall be entitled to audit the books and records of a contractor or any subcontractor under any contract or subcontract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three years from the date of final payment under the prime contract and by the subcontractor for a period of three years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing.

Section 42. Right to Inspect Plant.

1. **Time for Inspection.** LTD may, at reasonable times, inspect the part of the plant or place of business of a contractor or any subcontractor which is related to the performance of any contract awarded.

2. **Access to Plant or Place of Business.** As a condition of bidding, bidders agree that LTD may enter a contractor's or subcontractor's plant or place of business during normal business hours for the following purposes:

a. Inspect and/or test supplies or services for acceptance by LTD pursuant to the terms of the bid;

b. Investigate in connection with a bidder's application, a minority business certification, or bidder qualification.

3. **Contractual Provisions.** Contracts may provide that LTD may inspect supplies and services at the contractor's or subcontractor's facility and perform tests to determine whether they conform to the bid documents, or, after award, to contract requirements, and are therefore acceptable. Such inspections and tests shall be conducted in accordance with the terms of the contract.

4. **Procedures for Trial Use and Testing.** LTD may establish operational procedures governing the testing and trial use of equipment, materials, and the application of resulting information and data to specifications or procurements.

5. **Conduct of Inspections.**

a. **Inspectors.** Inspections or tests shall be performed so as not to unduly delay the work of the contractor or subcontractor. No change of any provision of the specifi-

cations or the contract may be required by the inspector without written authorization of the director unless otherwise specified in the bid documents. The presence or absence of an inspector shall not relieve the contractor or subcontractor from any requirement of the contract.

b. **Location.** When an inspection is made in the plant or place of business of a contractor or subcontractor, such contractor or subcontractor shall provide without charge all reasonable facilities and assistance for the safety and convenience of the person performing the inspection or testing.

c. **Time of Testing or Inspection.** Inspection or testing of supplies and services performed at the plant or place of business of any contractor or subcontractor shall be performed at reasonable times during normal business hours.

6. **Inspection of Construction Projects.** On-site inspection of construction shall be performed in accordance with the terms of the contract.

#### Section 43. Contract Cancellation Procedures.

**Grounds for Cancellation.** A contract may be cancelled by LTD for any violation of the provisions of the contract. Such provisions generally include, but are not limited to:

1. Standard terms and conditions included in all contracts;
2. Product or service specifications;
3. Delivery or completion requirements;
4. Contracted pricing and price escalation/de-escalation clauses.

(NOTE: IF THE CONTRACT IS ONE FOR A PUBLIC IMPROVEMENT, SEE ALSO SECTION 34 (P.I.) )

(Sections 44 - 49 Reserved for Future Expansion)

### PUBLIC IMPROVEMENT CONTRACTS

#### Section 50(P.I.) Application.

In addition to the requirements set forth in the foregoing sections of these rules, the following rules apply to public improvement contracts. The designation (P.I.) following each

succeeding section number is a reminder that the section applies to public improvement contracts.

Section 51 (P.I.) Public Notice.

1. **Trade Newspaper Advertisement.** In addition to the requirements of Section 4, public improvements having an estimated cost in excess of \$50,000 shall be advertised for bids in at least one trade newspaper of general state-wide circulation.

2. **Prevailing Wage Rate Notice.** If the following conditions apply, the advertisement shall include a statement that the bidder shall comply with the requirements of the prevailing wage law in ORS 279.350:

- a. The bid must be for public works as defined in ORS 279.348(3) which includes construction, reconstruction, major renovation or painting of roads, highways, buildings, structures and improvements of all types;
- b. The contract price for the project exceeds \$10,000; and
- c. The project is not regulated under the Davis-Bacon Act (40 USC 276a). (ORS 279.357).

Section 52 (P.I.) Bid Evaluation and Award.

Award of a public improvement contract shall be to the lowest responsible bidder on the basis of total bid price. If the bid includes unit prices and extensions for estimated quantities, the total bid price for the purpose of comparing bids will be the total sum computed from bid quantities and the unit prices entered thereon by the bidder with due adjustments being made for alternate items and any specified or authorized reductions, additions or changes. In case of conflict between a unit price and the corresponding extended amount, the unit price shall govern.

Section 53 (P.I.) Contract Cancellation Procedures.

1. **Termination Due to Circumstances Beyond the Control of the Contractor** (ORS 279.326, 279.328, 279.330, 279.332).

a. **Reasons for Termination.** LTD may, by written order or upon written request from the contractor, terminate the contract or a portion thereof if any of the following occur:

- (i) The contractor is prevented from completing the work for reasons beyond the control of LTD;

(ii) Completion of the project is beyond control of the contractor;

(iii) Or for any reason considered by the director to be in the public interest (other than a labor dispute or reason of any third party judicial proceeding relating to the work other than a suit or action filed in regards to a labor dispute). These reasons may include, but are not necessarily limited to, nonavailability of materials, phenomenon of nature of catastrophic proportions or intensity, executive orders of the President related to national defense, congressional or state acts related to funding.

**b. Payment When Contract is Terminated.** When the contract, or any portion thereof, is terminated before completion of all items of work in the contract, payment will be made for the actual items of work completed under the contract, or by mutual agreement, for items of work partially completed. No claim for loss of anticipated profits will be allowed.

**c. Responsibility for Completed Work if Contract Terminated.** Termination of the contract or a portion thereof shall not relieve the contractor of responsibility for the work completed, nor shall it relieve the surety of its obligation for any just claims arising from the work performed.

2. Termination of Contract for Default (ORS 279.333).

a. If the contractor should persistently or repeatedly refuse to or fail to supply enough properly skilled workmen or proper materials for the efficient execution of the project, or should fail to make prompt payment to subcontractors for material or labor, or persistently disregard laws, ordinances or the instructions of LTD, or otherwise be guilty of a substantial violation of any provision of the contract, then LTD, without prejudice to any other right or remedy and after giving the contractor or the surety seven days' written notice, may terminate the employment of the contractor and take possession of the premises and of all materials, tools and appliances thereon as well as all other materials whether on the premises or not, on which the contractor has received partial payment. LTD may finish the work by whatever method it may deem expedient.

b. **Required Response to Declaration of Default.** If the above action is taken, the contractor or the surety shall provide LTD with immediate and peaceful possession of all of the materials, tools and appliances located on the premises, as well as all other materials whether on the premises or not, on which the contractor has received any progress payment. Further, the contractor shall not be entitled to

receive any further payment until the work is completed. On the completion of the work, determination shall be made by LTD of the total amount the contractor would have been entitled to receive for the work, under the terms of the contract, had the contractor completed the work. If the difference between said total amount and the sum of all amounts previously paid to the contractor, which difference will hereinafter be called the "unpaid balance," exceeds the expense incurred by LTD in completing the work, including expense for additional managerial and administrative services, such excess will be paid to the contractor, with the consent of the surety. If, instead, the expense incurred by LTD exceeds the unpaid balance, the amount of the excess shall be paid to LTD by the contractor or the surety.

c. **Expense of Completion.** The expense incurred by LTD shall be as determined and certified by the director.

d. **Refusal to Perform.** In addition to and apart from the above-mentioned right of LTD to terminate the employment of the contractor, the contract may be cancelled by LTD for any willful failure or refusal on the part of the contractor to perform faithfully the contract according to all of its terms and conditions; however, in such event neither the contractor nor the surety shall be relieved from damages or losses suffered by LTD on account of the contractor's breach of contract.

e. **Remedies are Cumulative.** LTD may, at its discretion, avail itself of any or all of the above rights or remedies and invoke any one of the above rights or remedies without prejudice or preclude LTD from subsequently invoking any other right or remedy set forth above or elsewhere in the contract.

Section 54 (P.I.) Retainage (ORS 279.420, 279.575)

1. **Retainage of Five Percent.** The amount to be retained from any given progress payment will be such that when added to the sum of amounts previously retained will equal not more than five percent of the value of completed work except if the contract work is 50 percent completed and the work is progressing satisfactorily, the retainage may be reduced or eliminated on the remaining progress payments. Any reduction or elimination of retainage shall be allowed only upon written application of the contractor, which application shall include written approval of the contractor's surety; except that when the contract work is 97 1/2 percent completed, LTD may without application by the contractor, reduce the retained amount to 100 percent of the value of the contract work remaining to be done. If retainage

has been reduced or eliminated, LTD reserves the right in protecting its interests to reinstate at any time retainage from further progress payments.

2. **Alternatives to Cash Retainage.** In lieu of cash retainage to be held by LTD, the contractor may select one of the following options:

a. **Deposit of Securities.** The contractor may deposit bonds or securities with LTD or in any bank or trust company to be held for the benefit of LTD. In such event, LTD shall reduce the retainage in an amount equal to the value of the bonds and securities. This reduction in retainage will be made in the progress payments made subsequent to the time the contractor deposits the bonds and securities.

The value of the bonds and securities will be determined periodically by LTD and the amount retained on progress payments will be adjusted accordingly. The bonds and securities deposited by the contractor shall be fully assigned to LTD or be payable to LTD on demand and shall be of a character approved by the Director of the Department of General Services, including but not limited to the following:

(i) Bills, certificates, notes or bonds of the United States.

(ii) Other obligations of the United States or its agencies.

(iii) Obligations of any corporation wholly owned by the Federal Government.

(iv) Indebtedness of the Federal National Mortgage Association.

(v) Time certificates of deposit or savings account passbooks issued by a commercial bank, savings and loan association, or mutual savings bank, duly authorized to do business in Oregon.

(vi) Corporation bonds rates A or better by a recognized rating service.

(vii) General obligation bonds of the State of Oregon or any political subdivision thereof.

(viii) General obligation improvement warrants issued pursuant to ORS 287.502.

(ix) Irrevocable letters of credit from a bank doing business in Oregon.

At the time LTD determines that all requirements for the protection of LTD's interest have been fulfilled, all bonds and securities deposited as above provided will be released to the contractor.

**b. Deposit in Interest-Bearing Accounts.** Upon written request of the contractor, LTD shall deposit any amounts withheld as retainage in an interest-bearing account in a bank, savings bank, trust company or savings association for the benefit of LTD. Interest earned on such account shall accrue to the contractor.

**3. Recovery of Costs.** If LTD incurs additional costs as a result of the exercise of any of the options for retainage described herein, LTD may recover such costs from the contractor by reduction of the final payment. As work on the contract progresses, LTD shall, upon request, inform the contractor of all accrued costs.

Section 55 (P.I.) Progress Payments (ORS 279.575)

**1. Request for Progress Payments.** At a regular time each month, the contractor shall, if required by the contract documents, submit to LTD a request for payment based upon an estimate of the amount of work completed and of the value of such completed work. This request shall also include an estimate of the amount and value of acceptable material to be incorporated in the completed work which has been delivered and acceptably stored. Upon verification and approval of LTD, the sum of these values will be referred to the "value of completed work." With these estimates as a base, a progress payment will be made to the contractor, which progress payment shall be equal to the value of completed work, less such amounts as may have been previously paid, less such other amounts as may be deductible or as may be owing and due to LTD for any cause, and less an amount to be retained in protection of LTD's interests.

**2. Progress Payments Do Not Mean Acceptance of Work.** Progress payments shall not be construed as an acceptance or approval of any part of the work covered thereby, and they shall in no manner relieve the contractor of responsibility for defective workmanship or material.

**3. Estimates for Progress Payments.** The estimates upon which progress payments are based are not represented to be accurate estimates, and all quantities shown therein are subject to correction in the final estimate. If the contractor uses such estimates as a basis for making payments to subcontractors, this

is at the contractor's own risk, and the contractor shall bear all loss that may result.

Section 56 (P.I.) Final Inspection (ORS 279.575(3))

1. **Notification of Completion.** When the contractor determines that all construction work on the project has been completed, the contractor shall so notify LTD in writing. LTD shall make an inspection of the project and project records within 15 days of receiving said notice. If, at such inspection, all construction provided for and ordered under the contract is complete and satisfactory to LTD, and all certifications, bills, forms and documents have been submitted properly, such inspection shall constitute the final inspection.

2. **Instructions to Complete the Work.** If, however, at any inspection, any work in whole or in part is found unsatisfactory, or it is found that all certifications, bills, forms and documents have not been submitted properly, LTD shall within 15 days provide instructions to the contractor on outstanding requirements to complete the project. At such time as the contractor determines full compliance with, and the execution of such instructions, the contractor shall notify LTD in writing. LTD shall make another inspection within 15 days after such notice and this inspection shall constitute the final inspection provided construction work has been completed satisfactorily.

3. **Acknowledgment of Acceptance.** Upon satisfactory completion of all work required under the contract, LTD shall acknowledge acceptance of the work in writing.

Section 57 (P.I.) Final Estimate and Final Payment (ORS 279.575(3)).

1. **Submission of Final Estimate.** As soon as practicable after final inspection of the work under the contract, if unit prices were applicable, LTD shall prepare a final estimate of the quantities of the various classes of work performed. Following a determination of the total amount due the contractor, and following final acceptance of the work by LTD, final payment shall be made to the contractor.

2. **Set-off of Prior Payments.** All prior partial estimates and payments shall be subject to correction in the final estimate and payment.

3. **Interest.** Beginning 30 days after the date of final acceptance of the project by LTD, LTD shall pay to the contractor interest at the rate established by state statute on any money due and payable to the contractor.

Section 58 (P.I.) Claims for Unpaid Labor or Supplies.

1. **Right of Action.** As provided in ORS 279.526 a person claiming to have supplied labor or materials for work on a public improvement contract let by LTD for which the person has not been paid by the prime contractor or any subcontractor has a right of action on the contractor's bond, if a notice of such claim has been filed prior to the expiration of six months following the acceptance of the work by LTD.

2. **Notice of Claim.** To initiate a claim against the contractor's bond, a person should file with the clerk of LTD a Notice of Claim in the form and manner attached as Exhibit A.

Any notice of claim should include the following information:

- a. Name and address of the claimant;
- b. Name of prime contractor;
- c. Title of project and contract date;
- d. Name of bonding company (may be obtained from LTD).

3. **Response to Notice of Claim.** Upon receipt of such Notice of Claim, LTD shall:

- a. Send acknowledgment to claimant;
- b. Send copy of notice to contractor;
- c. File copy of Notice with Secretary of State.
- d. File copy of Notice with bonding (surety) company.

4. **Referral to Surety Company.** If the contract has been completed and all funds disbursed to the prime contractor, LTD shall refer all claims to the surety company for resolution. LTD shall not arrange for second payments directly to subcontractors or suppliers for work already paid for by LTD.

5. **Discretionary Payment of Claim.** If the contract is still in force, LTD may, in accordance with ORS 279.314, pay a valid claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due to the contractor under the contract.

6. **Liability for Claim.** If LTD chooses to make such a payment as provided in ORS 279.314, the contractor or the contractor's surety shall not be relieved from obligation with respect to any unpaid claims.

To: (insert name of the public body)

NOTICE IS HEREBY GIVEN that the undersigned, (insert name of subcontractor or supplier), a (corporation, partnership, sole proprietorship, etc.), as claimant, has a claim for (labor performed by the claimant, materials supplied by the claimant, etc.), generally consisting of (brief description) in the sum of \$\_\_\_\_\_ against the bond taken from (name of prime contractor), as principal, and (name of bonding company), as surety, for the construction of the (title of project) at (name of agency), (city), Oregon, said contract dated (insert date) by and between the public agency, as Agent of the State, and (name of prime contractor), as Contractor.

(Insert a brief description of the work concerning which the bond was taken.)

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

By \_\_\_\_\_  
(claimant's name and title)

ORDINANCE NO. 27

AN ORDINANCE AMENDING ORDINANCE NO. 26 MAKING THE BOARD OF  
DIRECTORS OF THE LANE COUNTY MASS TRANSIT DISTRICT (LTD)  
THE LOCAL CONTRACT REVIEW BOARD FOR LTD

The Board of Directors of the Lane County Mass Transit District (LTD)  
ordains as follows:

Section 1. Findings.

a. LTD is authorized by ORS 279.055, as amended by Chapter 690,  
Oregon Laws 1983 (Enrolled Senate Bill 190), to create its governing body  
as a local contract review board for LTD, and to prescribe the manner in  
which the local contract review board may adopt rules.

b. The immediate establishment of a functioning local contract  
review board for LTD is essential for the effective provision of a mass  
transit system.

Section 2. Contract Review Board.

a. The LTD Board of Directors is made the local contract review  
board for LTD, which shall be called the LTD Contract Review Board  
(LTD/CRB).

b. The LTD Board of Directors, acting as the LTD Contract Review  
Board, may adopt rules by resolution.

Section 3. Emergency.

An emergency is declared and this ordinance takes effect upon  
adoption in order that the LTD/CRB may immediately adopt operating rules  
to allow it to function.

Adopted: \_\_\_\_\_

\_\_\_\_\_  
Janet Calvert, President

Attest:

\_\_\_\_\_  
Recording Secretary

RESOLUTION

A RESOLUTION ADOPTING THE RULES OF THE  
LTD CONTRACT REVIEW BOARD

The Lane County Mass Transit District Contract Review Board (LTD/CRB) resolves as follows:

WHEREAS, the LTD Board of Directors, by Ordinance No. 27, adopted on April 16, 1985, created itself as the local contract review board for LTD pursuant to ORS 279.055, and

WHEREAS, the LTD/CRB is authorized by ORS 279.055(5) and LTD Ordinance No. 27 to adopt rules in the same manner as the LTD Board of Directors, and

WHEREAS, effective provision of a mass transit system by LTD requires action by the LTD/CRB and, under ORS 279.055, that Board cannot act until it has adopted rules, and

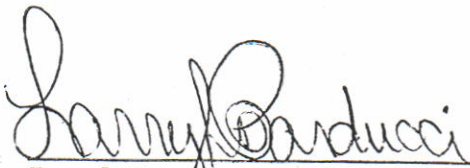
WHEREAS, exemptions from competitive bidding contained in the rules adopted by this resolution are unlikely to encourage favoritism in the award of LTD contracts or to substantially diminish competition for those contracts, and will result in substantial cost savings to LTD,

NOW, THEREFORE, BE IT RESOLVED by the LTD/CRB:

1. That the Rules of the LTD/CRB, a copy of which is attached to and hereby made a part of this Resolution, are adopted. Those rules supersede the rules of the former Public Contract Review Board insofar as LTD contracts are concerned.

April 16, 1985

Date

  
Board Secretary

**RULES OF  
LANE TRANSIT DISTRICT  
CONTRACT REVIEW BOARD**

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GENERAL

Section 1. Name.

The local contract review board created by LTD's Board of Directors shall be known as the LTD Contract Review Board, and may be abbreviated LTD/CRB.

Section 2. Definitions.

As used in these rules, unless the context requires otherwise:

1. "Board" means the LTD Contract Review Board.
2. "Competitive bidding" means solicitation of formal sealed offers through the advertising, bidding, and bid opening procedures required by ORS Chapter 279 and these rules.
3. "General Manager" means the General Manager of LTD.
4. "Public contract" means any purchase, lease or sale by LTD of personal property, public improvements or services other than agreements which are for personal service.
5. "Personal services" means services performed as an independent contractor in a professional capacity, including but not limited to:
  - a. Accountant;
  - b. Attorney;
  - c. Architectural or land use planning consultant;
  - d. Physician;
  - e. Dentist;
  - f. Registered professional engineer, appraiser, or surveyor;
  - g. Passenger aircraft pilot;
  - h. Aerial photographer;
  - i. Timber cruiser;
  - j. Broadcaster;
  - k. Artist in the performing or fine arts, including but not limited to photographer, filmmaker, painter, weaver, and sculptor;

- l. Consultant;
- m. Educational or human custodial care;
- n. Services of a specialized, noncommercial, and creative or research-oriented nature.

"Personal services" does not include:

- a. Services, even if rendered in a professional capacity, if the predominant result of the contract is a product (for example, a contract with a landscape architect to design a garden is for personal services, but a contract to design a garden and supply all the plants is not);
  - b. Labor that is of a type that generally can be done by any competent worker, including but not limited to janitorial work, security guard work, crop spraying, laundry, and landscape maintenance; and
  - c. Trade-related activities, even if a specific license is required to engage in the activities.
6. "President" means the presiding officer of the LTD Contract Review Board and is the same person who serves as President of the LTD Board of Directors.
  7. "Supplies" means consumable goods.
  8. "LTD" means Lane County Mass Transit District.

### Section 3. Competitive Bidding; Exemptions Generally.

All LTD public contracts shall be based upon competitive bidding except the following:

1. Contracts made with other public agencies or the federal government.
2. Contracts made with qualified nonprofit agencies providing employment opportunities for the handicapped.
3. Contracts specifically exempt under these rules.

### CATEGORICAL EXEMPTIONS

#### Section 4. Exemption of Contracts Under Certain Dollar Amounts.

1. LTD may, in its discretion, let a contract for the purchase of goods, materials, or supplies that contains no element of personal service other than personal service in connection with the repair and maintenance of office equipment without competitive bidding

if LTD has determined that awarding the contract without competitive bidding will result in cost savings and the following criteria are satisfied:

- a. The amount of the contract does not exceed \$10,000, is for a single project, and is not a component of or related to any other LTD project.
  - b. When the amount of the contract does not exceed \$500, LTD should, where feasible, obtain competitive quotes.
  - c. When the amount of the contract is more than \$500 but not more than \$10,000 LTD must obtain a minimum of three competitive quotes. LTD shall keep a written record of the source and amount of the quotes received. If three quotes are not available, fewer will suffice if a written record is made of the effort to obtain quotes.
  - d. No contractor may be awarded in the aggregate within one fiscal year contracts in excess of \$30,000 without competitive bidding. Contracts under \$500 shall not be included in computing the aggregate under this paragraph.
2. Except for a contract for repair and maintenance of office equipment covered under subsection 1 of this section and a contract for road, highway, or parking lot maintenance covered under subsection 3 of this section, LTD may, in its discretion, let a contract for construction, maintenance or repair, or a contract containing an element of personal service without competitive bidding if LTD has determined that awarding the contract without competitive bidding will result in cost savings and the following criteria are satisfied:
- a. The amount of the contract does not exceed \$5,000, is for a single project, and is not a component of or related to any other LTD project.
  - b. When the amount of the contract does not exceed \$500, LTD should, where feasible, obtain competitive quotes.
  - c. When the amount of the contract is more than \$500 but not more than \$5,000, LTD must obtain a minimum of three competitive quotes. LTD shall keep a written record of the source and amount of the quotes received. If three quotes are not available, fewer will suffice if a written record is made of the effort to obtain quotes.

- d. No contractor may be awarded in the aggregate within one fiscal year contracts in excess of \$20,000 without competitive bidding. Awards under \$500 shall not be included in computing the aggregate under this paragraph.
3. LTD may in its discretion let a contract not over \$25,000 for road, highway, or parking lot maintenance without competitive bidding if LTD obtains a minimum of three competitive quotes. LTD shall keep a written record of the source and amount of the quotes received. If three quotes are not available fewer will suffice if a written record is made of the effort to obtain quotes.

#### Section 5. Emergency Contracts.

1. LTD may, in its discretion, award a contract without competitive bidding if an emergency exists, the emergency circumstances could not have been reasonably foreseen, and prompt execution of a contract is necessary to remedy the condition.
2. To authorize an emergency contract, LTD's Board of Directors must declare by resolution that an emergency exists and make detailed written findings describing the emergency conditions necessitating prompt execution of the contract.
3. If an emergency is declared under this section, the contract must be awarded within 60 days after the emergency is declared, unless the LTD/CRB grants an extension.

#### Section 6. Equipment Repair and Overhaul.

1. Contracts for equipment repair or overhaul may be let without competitive bidding if one of the following criteria is satisfied:
  - a. The service or parts required are unknown and cannot be determined without extensive preliminary dismantling or testing; or
  - b. The service or parts required are for sophisticated equipment and the service or parts installation requires specially trained personnel that are available from only one source.
2. The General Manager shall promptly report to the LTD/CRB all contracts for equipment repair or overhaul under this exemption in which the contract amount exceeds \$10,000. The report shall include:
  - a. A brief description of the contract;
  - b. The name of the contractor;
  - c. The total dollar amount of the contract;

- d. A statement of the criterion under subsection 1 of this section upon which the award without competitive bidding is based; and
- e. A description of the selection method that was used.

Section 7. Contracts for Price Regulated Items.

LTD may, without competitive bidding, contract for the purchase of goods or services where the rate or price for the goods or services being purchased is established by federal, state, or local regulatory authority.

Section 8. Auction Sales.

Personal property may be sold at auction if LTD determines that the auction contemplated will probably result in a higher net return than if the property were sold by competitive written bid.

Section 9. Investment Contracts.

LTD may contract without competitive bidding for investment of public funds or for borrowing, provided the contract is approved by LTD's General Manager and is otherwise authorized by law. Investment contracts authorized under this section include but are not limited to safe harbor leasing agreements.

Section 10. Paper Products.

LTD is exempt from competitive bidding requirements for the purchase of paper products if LTD seeks competitive quotes from as many vendors as is practicable and retains a written justification for the purchase made.

Section 11. Gasoline, Diesel Fuel, Heating Oil, Lubricants, and Asphalts.

LTD is exempt from competitive bidding requirements for the purchase of gasoline, diesel fuel, heating oil, lubricants, and asphalts if LTD seeks competitive quotes from a majority of vendors in the Eugene-Springfield metropolitan area, makes its purchase from the least expensive source, and retains a written justification for the purchase made.

Section 12. Copyrighted Materials.

1. If a contract is for the purchase of copyrighted materials and only one available supplier for the materials is known, LTD may contract for purchase of the materials without competitive bidding.

2. Notwithstanding the general prohibition under these rules against specification of particular brand names, LTD may specify a specific copyrighted product. This exception does not apply to patented or trade marked goods.

Section 13. Library Periodicals.

LTD may purchase subscriptions to journals, magazines, and similar periodicals for its library without competitive bidding.

Section 14. Advertising Contracts.

LTD may purchase advertising without competitive bidding if the contract is awarded as a personal services contract, pursuant to ORS 279.051.

Section 15. Data Processing Contracts.

1. Contracts for acquisition of data processing hardware and systems software may be let without competitive bidding using competitive procurement methods subject to the following conditions:
  - a. If the contract amount does not exceed \$10,000, LTD may follow informal competitive procurement methods. Prior to selection of a vendor reasonable efforts must be made to solicit proposals from three or more vendors. Justification of award shall be documented and made a public record.
  - b. If the contract amount exceeds \$10,000, LTD shall solicit written proposals from appropriate vendors appearing on the list compiled by the Data Systems Division, Executive Department, State of Oregon or shall publish an advertisement in a major trade publication of general circulation. LTD shall prepare both a detailed and a summary report of the evaluation process. Those reports shall be made part of the public record justifying the award.
  - c. If the amount of the contract exceeds \$500,000, LTD shall comply with paragraph b of this subsection and shall:
    - (i) Provide an opportunity for vendors to review LTD's requirements and, prior to submitting proposals, comment on any specifications which they feel limit competition;
    - (ii) Define the roles of any evaluation committee, explain its criteria, and state all complaint processes and remedies available;
    - (iii) Clearly state the contractual requirements in the solicitation document;

(iv) Provide that residual values be considered only if they are clearly ascertainable;

(v) Provide that the cost of conversion will be minimized by LTD; and

(vi) Ensure that each vendor is given the opportunity to review the evaluation of its proposal before final management review and selection. If there is little difference between the highest ranked proposals, appropriate consideration must be given to the purchase of equipment which will encourage competition.

2. LTD's General Manager shall report to the LTD/CRB all contracts for data processing pursuant to this exemption in which the amount exceeds \$10,000. The report shall be filed by July 31 of each even-numbered year after 1984 for the prior two fiscal years and shall include:
  - a. The name of the company, and, if applicable, the name of the retail vendor;
  - b. The reasons why LTD did not believe that competitive bidding was appropriate; and
  - c. A description of the reasons why the contractor was selected and other proposals rejected.

If a procurement under this section is also a sole source procurement, the information that must be submitted to the LTD/CRB for sole source procurements may be included in the annual report under this section and need not be separately reported.

#### Section 16. Food Service Contracts.

1. For purposes of this rule, a food service contract means a contract in which the contractor agrees to purchase, prepare, and serve meals and provide related services.
2. Contracts for food services may be let without competitive bidding if the following criteria are satisfied:
  - a. Prior to the selection of a contractor, LTD must make reasonable efforts to inform known companies providing food services of the subject matter of the contract and to solicit proposals. Solicitation must include public advertisements in at least one newspaper of general circulation in the Eugene-Springfield metropolitan area.
  - b. The contractor must be selected on the basis of the most competitive offer, considering both the cost and the quality of the product and of the service to be rendered.

3. LTD's General Manager shall report annually to the LTD/CRB all contracts for food service pursuant to this section in which the fee exceeds \$10,000. Reports shall be filed by July 31 of each even-numbered year after 1984 covering the prior two fiscal years. The report shall include:
  - a. A description of the contract, including the name of the contractor;
  - b. The reason why LTD did not believe that competitive bidding was appropriate; and
  - c. The reasons why the contractor was selected and other proposals rejected.

Section 17. Employee Benefit Insurance.

LTD may purchase employee benefit insurance without competitive bidding.

Section 18. Insurance Contracts.

1. Contracts for insurance where either the annual or aggregate premium exceeds \$5,000 must be let by competitive bidding or by one of the procedures described in this section.
2.
  - a. LTD may appoint a licensed insurance agent to serve as LTD's Agent of Record and perform insurance services in connection with more than one insurance contract. Among the services to be provided is the securing of competitive proposals from insurance carriers for all coverages for which the agent of record is given responsibility.
  - b. Prior to the selection of an agent of record, LTD shall make reasonable efforts to inform known insurance agents in the competitive market area that it is considering the selection. Those efforts shall include a public advertisement in at least one newspaper of general circulation in the Eugene-Springfield metropolitan area. The advertisement shall generally describe the nature of the insurance that LTD will require. If the amount of the annual premium for insurance other than employee benefits insurance is likely to exceed \$10,000 per year, the notice also shall include a public advertisement in at least one insurance trade publication of general circulation in the state.
  - c. The period of appointment of an Agent of Record shall not exceed six years. Agents of Record may serve more than one appointment period, but must qualify for such subsequent appointment prior to each period as if each appointment period were the first. This section shall not affect LTD's contractual rights, if any, to terminate the appointment of an Agent of Record prior to the end of any appointment period.

- d. In selecting an agent of record, LTD shall select the agent most likely to perform the services with greatest cost effectiveness.
3. a. LTD may solicit proposals from licensed insurance agents for the purpose of acquiring specific contracts.
    - b. Before contracting for specific insurance, LTD shall make reasonable efforts to inform known insurance agents in the competitive market area of the subject matter of the contract, and to solicit proposals for providing the services required in connection with the contract. Those efforts shall include public advertisements in at least one newspaper of general circulation in the Eugene-Springfield metropolitan area. If the amount of annual premium for insurance other than employee benefits is likely to exceed \$10,000 per year, the notice shall also include a public advertisement in at least one insurance trade publication of general circulation in the state.
    - c. LTD shall select an insurance agent on the basis of the most competitive offer considering coverage, premium cost, and service to be provided.
  4. a. Within 30 days after the selection of an agent of record under subsection 2 of this section, LTD's General Manager shall report to the LTD/CRB the name of the agent, the number of agents that offered to provide the service, and the reasons for the selection.
    - b. LTD's General Manager shall report annually to the LTD/CRB all insurance contracts purchased under subsection 3 of this section. The reports shall be filed by July 31 of each even-numbered year after 1984, covering the two preceding fiscal years. The reports shall include:
      - (i) A description of the contract;
      - (ii) The name of the company and the name of the agent;
      - (iii) The reasons competitive bidding was deemed inappropriate;
      - (iv) A description of the reasons why the insurance agent and insurance carrier were selected and other proposals rejected.

#### Section 19. Affirmative Action Contracts.

1. LTD contracts may be let without competitive bidding if the letting of the contract is pursuant to LTD's affirmative action

plan, which is designed to ensure equal opportunity in employment and business for persons otherwise disadvantaged by reason of race, color, religion, sex, national origin, age, or physical or mental handicap, including, but not limited to, personnel practices of contractors, "set-aside" programs and minority business enterprises.

2. LTD's General Manager shall report annually to the LTD/CRB all contracts that are let pursuant to this section. Reports shall be filed by July 31 of each even-numbered year after 1984, covering the preceding two fiscal years. The reports shall include:
  - a. A description of the contracts, including the amount, the name of the contractor, and a general description of the type of work to be performed or service or product to be purchased; and
  - b. A description of the affirmative action goal or goals to be accomplished.

#### Section 20. Contract Modifications.

Any construction contract modification for additional work requested by LTD, including a change order, extra work, field order, or other change in the original specifications, that increases the original contract price may be made with the contractor without competitive bidding provided one of the following criteria is satisfied:

1. The original contract was let by competitive bidding and imposes a binding obligation on the parties covering the terms and conditions of the additional work resulting in the cost increase; or
2. The additional work is necessitated by unanticipated circumstances, such as differing site conditions, that were not reasonably foreseeable.
3. If the modification has the effect of creating a new contract, the amount of the aggregate cost increase resulting from all modifications shall not exceed 10% of the initial contract amount, or 20% of the initial contract amount when that amount does not exceed \$100,000 and is for the remodeling, repair, or rehabilitation of a building or buildings. Modifications made pursuant to subsections 1 or 2 of this section will not be included in computing the aggregate amount under this section.

Section 21. Sole Source.

1. LTD may award a contract for a service or product without competitive bidding if LTD has determined that the service or product is available from only one source after making a reasonable effort to identify alternative sources.
2. If a contract is awarded under this section, LTD's General Manager shall promptly submit to the LTD/CRB a written report that includes:
  - a. A finding that the service or product is available from only one source;
  - b. A description of that sole source; and
  - c. A description of the procedure used to determine that the service or product is available from only one source.

(Sections 22 - 30 Reserved)

## SPECIFIC EXEMPTIONS

### Section 31. Brand Name or Mark Exemptions.

1. Except as provided in this section, or in sections 12 and 55, specifications for public contracts shall not expressly or implicitly require any product by any brand name or mark.
2. LTD may apply for and receive a brand name or mark exemption ruling from the LTD/CRB, for current and contemplated future purchases. Applications shall contain the following information:
  - a. A brief description of the contract or contracts to be covered. The description should include contemplated future purchases.
  - b. The brand name, mark, or product to be specified.
  - c. The reasons LTD is seeking the exemption.
  - d. Procedures followed and facts found in support of such reasons.
3. The LTD/CRB may grant an exemption if any of the following conditions are met:
  - a. The exemption is not likely to encourage favoritism in public contracts or substantially diminish competition and will result in cost savings.
  - b. There is only one manufacturer or seller of the product of the quality required, or efficient utilization of existing equipment or supplies requires acquisition of compatible equipment or supplies; and the product is selected on the basis of the most competitive offer, considering quality and cost. The term "cost" includes not only the product price but also other items of expense such as cost related to quality or conversion.
4. Where there is only one manufacturer or seller of a product, or only one provider of a service, LTD may award the contract without competitive bidding pursuant to Section 21 of these rules.

Section 32. Other Specific Exemptions: Application & Findings.

1. LTD may apply to the LTD/CRB for exemption of a particular contract not otherwise exempt from the competitive bidding requirements of ORS 279.015. The application shall contain the following information.
  - a. The nature of the project;
  - b. Estimated cost of the project;
  - c. A narrative description of the cost savings anticipated by the exemption from competitive bidding and the reasons competitive bidding would be inappropriate;
  - d. Proposed alternative contracting and purchasing practices to be employed; and
  - e. The estimated date by which the contract must be let.
2. The LTD/CRB may require LTD to provide additional information it deems necessary to determine whether a specific contract is to be exempt from competitive bidding.
3. The LTD/CRB may grant an exemption upon the following findings:
  - a. It is unlikely such exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
  - b. The awarding of public contracts pursuant to the exemption will result in substantial cost savings to LTD. In making such findings, the LTD/CRB may consider the type, cost, and amount of the contract, the number of persons available to bid and such other factors as may be deemed appropriate.

Section 33. Action on Exemption Applications.

1. Upon receipt of an application for a specific exemption or a brand name or mark exemption, the President of the LTD/CRB shall either:
  - a. Cause a notice of intention to adopt a rule to be published in the agenda for the next Board meeting, which notice shall request data, views, and arguments concerning the proposed rule; and may also set the matter for public hearing to receive data, views, and arguments; or
  - b. Initiate the procedure for granting an exemption by unanimous consent, pursuant to subsection 3 of this section.
2. The LTD/CRB may hear the application at the Board meeting designated in the published agenda notice. If the Board approves the application, it, in its discretion, either may grant the exemption by amending these rules by ordinance, or, in appropriate cases, grant a temporary exemption by resolution.
3. The President of the LTD/CRB may, in the exercise of discretion, notify the members of the Board that an application for exemption has been made and that if no objections are received to the exemption within seven days after the President's notice, the exemption will be considered granted by unanimous consent and the President may, in the exercise of discretion, deem the exemption adopted as a temporary exemption by resolution. Exemptions so adopted shall be placed on the Board's agenda as a unanimous consent calendar item for ratification as a temporary exemption or adoption by ordinance as a permanent rule by the Board at the next meeting of the Board.

(Sections 34 - 49 Reserved)

## BIDDING AND CONTRACTING PROCEDURES

### Section 50. Exemptions from Bid and Performance Security Requirements.

1. Public Improvement Contracts. Bid and performance security need not be required for public improvement contracts if the amount of the bid is less than \$10,000.
2. Other Public Contracts.
  - a. LTD's Director of Administrative Services may, but does not have to require bid security for contracts other than public improvement contracts.
  - b. LTD's Director of Administrative Services may, but need not require performance security for public contracts that are not public improvement contracts, except:
    - (i) On a contract for the purchase of goods valued at more than \$100,000; or
    - (ii) If the goods are rolling stock or specially manufactured; or
    - (iii) If the contract requires any payment by LTD before LTD's acceptance of the goods.

### Section 51. Contract Award.

LTD shall award contracts to the lowest bidder except in the following circumstances:

1. The bidder has failed to comply with the invitation for bids or any statutory requirement relating to public contracting, and that failure gives or could give the bidder an unfair advantage over other bidders or otherwise makes the bid unresponsive under public contract law.
2. The bidder is disqualified by LTD pursuant to applicable statutes.

### Section 52. Requirements Contracts.

1. LTD may enter into a requirements contract whereby LTD agrees to purchase its requirements for particular goods or services from the contractor and the contractor agrees to supply all of LTD's needs for those goods or services at a predetermined price if all of the following criteria are satisfied:
  - a. The contract must be let by competitive bidding pursuant to the requirements of Chapter 279, Oregon Revised Statutes and applicable rules of the LTD/CRB and LTD;
  - b. The term of the contract, including extensions, does not exceed two years; and
  - c. The contract is subject to no less than 30 days cancellation by the contractor.

2. LTD may request a specific exemption from one or more of the foregoing criteria.
3. Notwithstanding the maximum term specified by paragraph b of subsection 1 of this section, the maximum term, including extensions, is five years for requirements contracts for the following goods:
  - a. Tires;
  - b. Vehicle fuel;
  - c. Antifreeze; and
  - d. Uniforms;
  - e. Lubricants;
  - f. Industrial linen.
4. Requirements contracts may provide for price escalation only if the escalation is no more frequent than annually and is tied to the Consumer Price Index or reflects documented cost increases actually incurred by the contractor.

#### Section 53. Life Cycle Costing.

1. In determining the lowest responsible bidder for contract award, LTD may use life cycle costing in accordance with subsection 2 of this section. As used in this rule, life cycle costing means determining the cost of a product over its useful life.
2.
  - a. LTD shall identify those factors that will have cost implications over the life of the product, including but not limited to initial cost and operating and maintenance costs.
  - b. The invitation for bids shall clearly set out those factors and the methodology to be used in calculating life cycle cost adjustments.
  - c. The life cycle cost adjustments shall be applied to the base bid, and the bidder whose total adjusted bid is lowest shall be considered the lowest bidder.

#### Section 54. Product Prequalification.

1. When it is impractical to create specific design or performance specifications for a type of product to be purchased, LTD may specify a list of approved products by reference to particular manufacturers or sellers in accordance with the following product prequalification procedure:
  - a. LTD must make reasonable efforts to notify all known manufacturers or vendors of competitive products of its intention

to accept applications for inclusion in its list of prequalified products. Notification shall include advertisement in a trade journal of state-wide distribution when possible. In lieu of advertising, LTD may notify vendors and manufacturers appearing on the appropriate list maintained by the Department of General Services of the State of Oregon.

- b. LTD must permit applications for prequalification of similar products until not more than 15 days prior to advertisement for bids on the product.
2. If an application for inclusion in a list of prequalified products is denied, or an existing prequalification is revoked, LTD shall notify the applicant in writing. The applicant may appeal to the LTD/CRB for a review of the denial or revocation in the same manner as an appeal of disqualification in the same manner as an appeal of disqualification under these rules.
3. The product prequalification procedure under this section does not apply to construction contracts.

#### Section 55. Bidder Prequalification.

LTD may require bidders to prequalify in accordance with ORS 279.039 to 279.047, and rules adopted by LTD. Appeals from disqualification shall be governed by Section 72 of these Rules.

#### Section 56. Federal Rules.

Notwithstanding any other provision of these rules, LTD shall adhere to UMTA Circular 4220.1A, OMB Circular A-102, and other applicable federal procurement procedures for contracts funded in part with federal funds.

#### Section 57. Two-Step Procurement.

LTD may employ a two-step procurement procedure when that procedure is in LTD's interest. The first step is an advertised request for technical proposals. The second step is solicitation of formal sealed bids from technical proposers deemed acceptable by LTD.

(Sections 58 - 70 Reserved)

## BOARD PROCEDURES

### Section 71. Board Proceedings.

1. Proceedings of the LTD/CRB shall be governed by the same procedural rules that govern proceedings of LTD's Board of Directors, insofar as they are consistent with these rules.
2. The President of the LTD Board of Directors shall be the President of the LTD/CRB.
3. A majority of the members of the LTD/CRB shall constitute a quorum. Exercise of the Board's authority shall be by majority vote of the entire Board.
4. Meetings of the LTD/CRB may be held by conference telephone call after the required public notice. The President shall conduct the meeting using a speaker telephone attachment.
5. On urgent or perfunctory matters, the President may poll the members of the Board by telephone. Electronic transcripts of the polling calls shall be made and retained. In the course of the poll, any member may request the matter be discussed by conference call or deferred to a meeting.
6. Prior to conference calls or telephone polls, the press and public, including persons directly interested in the subject matter of the poll, shall be given reasonable notice that they may be present with the President at the time of the meeting or poll.
7. Notices of the LTD/CRB meetings or other actions shall be of the same type and given in the same manner as notices of meetings or other actions of the LTD's Board of Directors. LTD/CRB notices may be published as part of LTD Board of Director notices when the actions that are the subject of the notices will occur on the same date and at the same place.
8. The agenda of the meetings of the LTD/CRB shall include the following:
  - a. Unanimous consent calendar including a brief description of each contract exempted and the amount of the contract.

- b. Consideration without hearing of pending applications for exemption. The agenda will list all proposed pending exemptions with a brief description of proposed exemptions including the amount of each contract.
  - c. Consideration with hearing of pending applications for exemption rulings.
  - d. Contested case hearings of appeals of disqualification or revocation of prequalification, including the name of the contractor and the grounds of the proposed disqualification or revocation of prequalification.
  - e. The agenda of a meeting of the LTD/CRB may be included in the agenda of a meeting of the LTD Board of Directors when the two meetings will be at the same place and on the same date.
9. The LTD Board of Directors, during any of its meetings, may sit as the LTD/CRB by merely announcing that it is sitting in that capacity. Formal adjournment of the Board of Directors and convening of the Contract Review Board are unnecessary.
  10. Records of LTD/CRB proceedings shall be made in the same manner as those of LTD Board of Directors proceedings, and may be made a part of the latter records.

Section 72. Appeals.

1. A contractor or bidder may appeal to the LTD/CRB any of the following:
  - a. Notice of denial of qualification to bid under the section of these rules entitled "Bidder Prequalification."
  - b. Notice of conditions varying from application for prequalification.
  - c. Notice of revocation of prequalification.
  - d. Notice of product disqualification under the section of these rules entitled "Product Prequalification."
  - e. The appeal must be filed with LTD. An appellant under paragraph a, b, c or d of this subsection must notify LTD of its intent to appeal within three working days after receipt of the notice being appealed. The notice of intention to appeal need not be in any particular form so long as it is in writing and delivered to LTD's Director of Administrative Services.

2. Upon receipt of the notice of appeal, LTD shall promptly forward to the LTD/CRB the contractor's prequalification application, the notice of refusal of bid or prequalification or revocation, and the record of investigation by LTD upon which the refusal or revocation was based, together with the notice of appeal. The burden of sustaining the refusal, disqualification, or revocation is upon LTD. The LTD/CRB shall consider de novo the notice of disqualification, based upon the material forwarded by LTD, and upon any evidence submitted by the parties.
3. For purpose of appeals, three members of the LTD/CRB shall constitute a quorum. Meetings for appeal purposes may be held upon five days notice to Board members, LTD's Director of Administrative Services, and the appellant. The LTD/CRB shall decide the appeal within ten days after receiving notification of the appeal from LTD. The LTD/CRB shall set forth in writing the reasons for its decision.
4. At any time prior to the appeal hearing, LTD may reconsider its revocation or disqualification.
5. The LTD/CRB is not authorized to consider or act upon appeals or protests based upon grounds other than those listed in subsection 1 of this section.
6. Appeals under this section shall be treated as contested cases under the Attorney General's Model Rules of Procedure effective on the date the appeal is filed, insofar as those rules are consistent with these rules.

LANE TRANSIT DISTRICT  
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
 GENERAL FUND  
 FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 1985 (66.67% OF YEAR COMPLETED)

	CURRENT MONTH		YEAR-TO-DATE		%	YEARLY	BALANCE
	1985	1984	1985	1984			
<b>REVENUES</b>							
<b>Operating Revenues:</b>							
Passenger Fares	116,516	117,247	842,128	858,841	56.70%	1,485,200	(643,072)
Charters	1,139	268	44,017	21,215	122.27%	36,000	8,017
Advertising	2,803	4,202	23,491	30,599	52.20%	45,000	(21,509)
Miscellaneous	234	383	1,978	2,021	39.56%	5,000	(3,022)
<b>TOTAL OPERATING REVENUES</b>	<b>120,692</b>	<b>122,100</b>	<b>911,614</b>	<b>912,676</b>	<b>58.02%</b>	<b>1,571,200</b>	<b>(659,586)</b>
<b>Non-Operating Revenues:</b>							
Interest	16,776	14,397	132,355	84,924	88.24%	150,000	(17,645)
Payroll Taxes	823,841	832,249	3,466,347	3,703,029	78.75%	4,401,900	(935,553)
Federal Operating Assistance	0	0	0	0	0.00%	1,043,400	(1,043,400)
State In-Lieu-Of Payroll Taxes	0	0	194,201	125,516	43.16%	450,000	(255,799)
Other Operating Assistance	429	0	2,181	2,941	21.81%	10,000	(7,819)
<b>TOTAL NON-OPERATING REVENUES</b>	<b>841,046</b>	<b>846,646</b>	<b>3,795,084</b>	<b>3,916,410</b>	<b>62.67%</b>	<b>6,055,300</b>	<b>(2,260,216)</b>
<b>TOTAL REVENUES</b>	<b>961,738</b>	<b>968,746</b>	<b>4,706,698</b>	<b>4,829,086</b>	<b>61.72%</b>	<b>7,626,500</b>	<b>(2,919,802)</b>
<b>EXPENDITURES</b>							
<b>Administration:</b>							
Personal Services	34,772	29,001	270,416	241,242	66.05%	409,400	138,984
Materials and Supplies	11,942	9,326	69,146	63,484	54.57%	126,700	57,554
Contractual Services	3,349	1,588	30,318	24,723	36.53%	83,000	52,682
<b>Total Administration</b>	<b>50,063</b>	<b>39,915</b>	<b>369,880</b>	<b>329,449</b>	<b>59.74%</b>	<b>619,100</b>	<b>249,220</b>
<b>Marketing and Planning:</b>							
Personal Services	35,450	29,542	274,523	234,030	64.76%	423,900	149,377
Materials and Supplies	27,714	8,998	109,404	88,493	84.81%	129,000	19,596
Contractual Services	10,336	36,416	194,874	204,117	68.93%	282,700	87,826
<b>Total Marketing and Planning</b>	<b>73,500</b>	<b>74,956</b>	<b>578,801</b>	<b>526,640</b>	<b>69.27%</b>	<b>835,600</b>	<b>256,799</b>
<b>Transportation:</b>							
Personal Services	263,912	258,982	2,287,221	2,140,359	62.87%	3,638,100	1,350,879
Materials and Supplies	409	1,961	8,321	5,403	51.05%	16,300	7,979
Contractual Services	423	0	2,905	0	24.21%	12,000	9,095
<b>Total Transportation</b>	<b>264,744</b>	<b>260,943</b>	<b>2,298,447</b>	<b>2,145,762</b>	<b>62.69%</b>	<b>3,666,400</b>	<b>1,367,953</b>
<b>Maintenance:</b>							
Personal Services	76,826	71,104	615,158	610,923	59.41%	1,035,400	420,242
Materials and Supplies	76,491	61,686	579,459	515,047	63.52%	912,200	332,741
Contractual Services	10,695	5,522	60,574	36,111	53.99%	112,200	51,626
<b>Total Maintenance</b>	<b>164,012</b>	<b>138,312</b>	<b>1,255,191</b>	<b>1,162,081</b>	<b>60.94%</b>	<b>2,059,800</b>	<b>804,609</b>
Contingency	0	0	0	0	0.00%	80,000	80,000
Loan to Capital Projects	0	0	0	0	0.00%	175,000	175,000
Transfer to Capital Projects	0	0	190,600	0	100.00%	190,600	0
Transfer to Risk Management	0	0	0	0	N/A	0	0
<b>TOTAL EXPENDITURES</b>	<b>552,319</b>	<b>514,126</b>	<b>4,692,919</b>	<b>4,163,932</b>	<b>61.53%</b>	<b>7,626,500</b>	<b>2,933,581</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>409,419</b>	<b>454,620</b>	<b>13,779</b>	<b>665,154</b>	<b>N/A</b>	<b>0</b>	<b>13,779</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
 CAPITAL PROJECTS FUND  
 FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 1985 (66.67% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
<b>RESOURCES</b>				
Resinnins Fund Balance	2,189,724	95.95%	2,282,207	(92,483)
<b>Revenues:</b>				
UMTA Section 5	1,084,810	39.09%	2,775,504	(1,690,694)
UMTA Section 9	161,186	9.14%	1,763,147	(1,601,961)
UMTA Section 18	0	0.00%	88,440	(88,440)
Federal Highway Admin	3,659	1.82%	201,520	(197,861)
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		0.00%	175,000	(175,000)
Total Revenues	1,482,827	27.84%	5,326,211	(3,843,384)
<b>TOTAL RESOURCES</b>	<b>3,672,551</b>	<b>48.27%</b>	<b>7,608,418</b>	<b>(3,935,867)</b>
<b>EXPENDITURES</b>				
<b>Locally Funded:</b>				
Land & Buildings	4,750	N/A	0	(4,750)
Total Locally Funded	4,750	N/A	0	(4,750)
<b>UMTA Funded:</b>				
Computer Software	14,304	250.95%	5,700	(8,604)
Office Equipment	60,249	38.36%	157,081	96,832
Maintenance Equipment	6,328	4.89%	129,500	123,172
Bus Stop Improvements	29,403	10.93%	269,001	239,598
Land & Buildings	31,182	31.72%	98,300	67,118
Buses	1,360,099	27.99%	4,859,479	3,499,380
Bus Related Equipment	0	0.00%	97,900	97,900
Service Vehicles	9,284	43.79%	21,203	11,919
Miscellaneous	46,645	32.01%	145,700	99,055
Total UMTA Funded	1,557,494	26.93%	5,783,864	4,226,370
<b>FHWA Funded:</b>				
Bus Stop Improvements	4,158	1.82%	229,000	224,842
Total FHWA Funded	4,158	1.82%	229,000	224,842
Contingency	0	0.00%	8,480	8,480
<b>TOTAL EXPENDITURES</b>	<b>1,566,402</b>	<b>26.01%</b>	<b>6,021,344</b>	<b>4,454,942</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>2,106,149</b>	<b>132.71%</b>	<b>1,587,074</b>	<b>519,075</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
 RISK MANAGEMENT FUND  
 FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 1985 (66.67% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
<b>RESOURCES</b>				
Beginning Fund Balance	398,394	1.05	380,649	17,745
<b>Revenues:</b>				
Transfer from Gen'l Fund	0	N/A	0	0
Interest	24,485	1.63	15,000	9,485
Total Revenues	24,485	1.63	15,000	9,485
<b>TOTAL RESOURCES</b>	<b>422,879</b>	<b>1.07</b>	<b>395,649</b>	<b>27,230</b>
<b>EXPENDITURES</b>				
Administration	12,300	0.75	16,500	4,200
Worker's Compensation	33,308	0.23	143,000	109,692
Liability Program	96,324	0.48	199,400	103,076
Miscellaneous Insurance	487	0.11	4,400	3,913
<b>TOTAL EXPENDITURES</b>	<b>142,419</b>	<b>0.39</b>	<b>363,300</b>	<b>220,881</b>
<b>ENDING FUND BALANCE</b>	<b>280,460</b>	<b>8.67</b>	<b>32,349</b>	<b>248,111</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF YEAR-TO-DATE ACTUAL REVENUES AND EXPENDITURES TO BUDGETED  
 GENERAL FUND  
 FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 1985

	YEAR-TO-DATE ACTIVITY	YEAR-TO-DATE BUDGET	VARIANCE	
			FAVORABLE (UNFAVORABLE) AMOUNT	%
<b>REVENUES</b>				
<b>Operating Revenues:</b>				
Passenger Fares	842,128	971,000	(128,872)	-13.27%
Charters	44,017	29,000	15,017	51.78%
Advertising	23,491	30,000	(6,509)	-21.70%
Miscellaneous	1,978	3,336	(1,358)	-40.71%
<b>TOTAL OPERATING REVENUES</b>	<b>911,614</b>	<b>1,033,336</b>	<b>(121,722)</b>	<b>-11.78%</b>
<b>Non-Operating Revenues:</b>				
Interest	132,355	100,000	32,355	32.36%
Payroll Taxes	3,466,347	3,291,425	174,922	5.31%
Federal Operating Assistance	0	0	0	N/A
State In-Lieu-Of Payroll Taxes	194,201	210,000	(15,799)	N/A
Other Operating Assistance	2,181	5,000	(2,819)	N/A
<b>TOTAL NON-OPERATING REVENUES</b>	<b>3,795,084</b>	<b>3,606,425</b>	<b>188,659</b>	<b>5.23%</b>
<b>TOTAL REVENUES</b>	<b>4,706,698</b>	<b>4,639,761</b>	<b>66,937</b>	<b>1.44%</b>
<b>EXPENDITURES</b>				
<b>Administration:</b>				
Personal Services	270,416	272,936	2,520	0.92%
Materials and Supplies	69,146	89,983	20,837	23.16%
Contractual Services	30,318	38,412	8,094	21.07%
<b>Total Administration</b>	<b>369,880</b>	<b>401,331</b>	<b>31,451</b>	<b>7.84%</b>
<b>Marketing and Planning:</b>				
Personal Services	274,523	282,500	7,977	2.82%
Materials and Supplies	109,404	104,881	(4,523)	-4.31%
Contractual Services	194,874	237,850	42,976	18.07%
<b>Total Marketing and Planning</b>	<b>578,801</b>	<b>625,231</b>	<b>46,430</b>	<b>7.43%</b>
<b>Transportation:</b>				
Personal Services	2,287,221	2,396,414	109,193	4.56%
Materials and Supplies	8,321	8,820	499	5.66%
Contractual Services	2,905	8,000	5,095	63.68%
<b>Total Transportation</b>	<b>2,298,447</b>	<b>2,413,234</b>	<b>114,787</b>	<b>4.76%</b>
<b>Maintenance:</b>				
Personal Services	615,158	689,126	73,968	10.73%
Materials and Supplies	579,459	616,412	36,953	5.99%
Contractual Services	60,574	80,300	19,726	24.57%
<b>Total Maintenance</b>	<b>1,255,191</b>	<b>1,385,838</b>	<b>130,647</b>	<b>9.43%</b>
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
<b>TOTAL EXPENDITURES</b>	<b>4,692,919</b>	<b>5,016,234</b>	<b>323,315</b>	<b>6.45%</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>13,779</b>	<b>(376,473)</b>	<b>(256,378)</b>	<b>68.10%</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
 GENERAL FUND  
 FOR THE NINE MONTHS ENDING MARCH 31, 1985 (75.00% OF YEAR COMPLETED)

	CURRENT MONTH		YEAR-TO-DATE		% ACTIVITY	YEARLY BUDGET	BALANCE
	1985	1984	1985	1984			
<b>REVENUES</b>							
<b>Operating Revenues:</b>							
Passenger Fares	118,671	118,134	960,799	976,975	64.69%	1,485,200	(524,401)
Charters	607	300	44,624	21,515	123.96%	36,000	8,624
Advertising	2,803	3,870	26,294	34,469	58.43%	45,000	(18,706)
Miscellaneous	174	225	2,152	2,246	43.04%	5,000	(2,848)
<b>TOTAL OPERATING REVENUES</b>	<b>122,255</b>	<b>122,529</b>	<b>1,033,869</b>	<b>1,035,205</b>	<b>65.80%</b>	<b>1,571,200</b>	<b>(537,331)</b>
<b>Non-Operating Revenues:</b>							
Interest	13,427	13,447	145,782	98,371	97.19%	150,000	(4,218)
Payroll Taxes	0	5,385	3,466,347	3,708,414	78.75%	4,401,900	(935,553)
Federal Operating Assistance	0	0	0	0	0.00%	1,043,400	(1,043,400)
State In-Lieu-Of Payroll Taxes	0	0	194,201	125,516	43.16%	450,000	(255,799)
Other Operating Assistance	0	0	2,181	2,941	21.81%	10,000	(7,819)
Short-term Loan Proceeds	50,000	0	50,000	0	100.00%	50,000	0
<b>TOTAL NON-OPERATING REVENUES</b>	<b>63,427</b>	<b>18,832</b>	<b>3,858,511</b>	<b>3,935,242</b>	<b>63.20%</b>	<b>6,105,300</b>	<b>(2,246,789)</b>
<b>TOTAL REVENUES</b>	<b>185,682</b>	<b>141,361</b>	<b>4,892,380</b>	<b>4,970,447</b>	<b>63.73%</b>	<b>7,676,500</b>	<b>(2,784,120)</b>
<b>EXPENDITURES</b>							
<b>Administration:</b>							
Personal Services	31,832	30,100	302,248	271,342	73.83%	409,400	107,152
Materials and Supplies	8,307	5,134	77,453	63,618	61.13%	126,700	49,247
Contractual Services	1,818	(3,262)	32,136	21,461	38.72%	83,000	50,864
<b>Total Administration</b>	<b>41,957</b>	<b>31,972</b>	<b>411,837</b>	<b>361,421</b>	<b>66.52%</b>	<b>619,100</b>	<b>207,263</b>
<b>Marketing and Planning:</b>							
Personal Services	33,860	30,150	308,383	264,180	72.75%	423,900	115,517
Materials and Supplies	12,714	5,717	122,118	94,210	94.67%	129,000	6,882
Contractual Services	15,313	1,810	210,187	205,927	74.35%	282,700	72,513
<b>Total Marketing and Planning</b>	<b>61,887</b>	<b>37,677</b>	<b>640,688</b>	<b>564,317</b>	<b>76.67%</b>	<b>835,600</b>	<b>194,912</b>
<b>Transportation:</b>							
Personal Services	294,572	270,718	2,581,793	2,411,077	70.97%	3,638,100	1,056,307
Materials and Supplies	893	1,181	9,214	6,584	56.53%	16,300	7,086
Contractual Services	404	5,228	3,309	5,228	27.58%	12,000	8,691
<b>Total Transportation</b>	<b>295,869</b>	<b>277,127</b>	<b>2,594,316</b>	<b>2,422,889</b>	<b>70.76%</b>	<b>3,666,400</b>	<b>1,072,084</b>
<b>Maintenance:</b>							
Personal Services	73,401	75,257	688,559	686,180	66.50%	1,035,400	346,841
Materials and Supplies	99,125	75,060	678,584	590,107	74.39%	912,200	233,616
Contractual Services	9,328	3,363	69,902	39,474	62.30%	112,200	42,298
<b>Total Maintenance</b>	<b>181,854</b>	<b>153,680</b>	<b>1,437,045</b>	<b>1,315,761</b>	<b>69.77%</b>	<b>2,059,800</b>	<b>622,755</b>
Contingency	0	0	0	0	0.00%	80,000	80,000
Loan to Capital Projects	0	0	0	0	0.00%	175,000	175,000
Transfer to Capital Projects	0	135,000	190,600	135,000	100.00%	190,600	0
Transfer to Risk Management	0	135,000	0	135,000	N/A	0	0
Transfer to Short-term Borrowing	0	0	0	0	N/A	50,000	50,000
<b>TOTAL EXPENDITURES</b>	<b>581,567</b>	<b>770,456</b>	<b>5,274,486</b>	<b>4,934,368</b>	<b>68.71%</b>	<b>7,676,500</b>	<b>2,402,014</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>(395,885)</b>	<b>(629,095)</b>	<b>(382,106)</b>	<b>36,059</b>	<b>N/A</b>	<b>0</b>	<b>(382,106)</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF YEAR-TO-DATE ACTUAL REVENUES AND EXPENDITURES TO BUDGETED  
 GENERAL FUND  
 FOR THE NINE MONTHS ENDING MARCH 31, 1985

	YEAR-TO-DATE ACTIVITY	YEAR-TO-DATE BUDGET	VARIANCE	
			FAVORABLE (UNFAVORABLE) AMOUNT	%
<b>REVENUES</b>				
<b>Operating Revenues:</b>				
Passenger Fares	960,799	1,109,000	(148,201)	-13.36%
Charters	44,624	31,000	13,624	43.95%
Advertising	26,294	33,750	(7,456)	-22.09%
Miscellaneous	2,152	3,752	(1,600)	-42.64%
<b>TOTAL OPERATING REVENUES</b>	<b>1,033,869</b>	<b>1,177,502</b>	<b>(143,633)</b>	<b>-12.20%</b>
<b>Non-Operating Revenues:</b>				
Interest	145,782	112,500	33,282	29.58%
Payroll Taxes	3,466,347	3,301,425	164,922	5.00%
Federal Operating Assistance	0	150,000	(150,000)	N/A
State In-Lieu-Of Payroll Taxes	194,201	210,000	(15,799)	N/A
Other Operating Assistance	2,181	5,000	(2,819)	N/A
Short-term Loan Proceeds	50,000	50,000	0	N/A
<b>TOTAL NON-OPERATING REVENUES</b>	<b>3,858,511</b>	<b>3,828,925</b>	<b>29,586</b>	<b>0.77%</b>
<b>TOTAL REVENUES</b>	<b>4,892,380</b>	<b>5,006,427</b>	<b>(114,047)</b>	<b>-2.28%</b>
<b>EXPENDITURES</b>				
<b>Administration:</b>				
Personal Services	302,248	307,052	4,804	1.56%
Materials and Supplies	77,453	97,866	20,413	20.86%
Contractual Services	32,136	40,784	8,648	21.20%
<b>Total Administration</b>	<b>411,837</b>	<b>445,702</b>	<b>33,865</b>	<b>7.60%</b>
<b>Marketing and Planning:</b>				
Personal Services	308,383	317,775	9,392	2.96%
Materials and Supplies	122,118	114,427	(7,691)	-6.72%
Contractual Services	210,187	244,150	33,963	13.91%
<b>Total Marketing and Planning</b>	<b>640,688</b>	<b>676,352</b>	<b>35,664</b>	<b>5.27%</b>
<b>Transportation:</b>				
Personal Services	2,581,793	2,703,798	122,005	4.51%
Materials and Supplies	9,214	9,305	92	0.98%
Contractual Services	3,309	9,000	5,691	63.23%
<b>Total Transportation</b>	<b>2,594,316</b>	<b>2,722,103</b>	<b>127,787</b>	<b>4.69%</b>
<b>Maintenance:</b>				
Personal Services	688,559	774,972	86,413	11.15%
Materials and Supplies	678,584	690,534	11,950	1.73%
Contractual Services	69,902	88,275	18,373	20.81%
<b>Total Maintenance</b>	<b>1,437,046</b>	<b>1,553,781</b>	<b>116,735</b>	<b>7.51%</b>
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 Borrowing	0	0	0	N/A
<b>TOTAL EXPENDITURES</b>	<b>5,274,487</b>	<b>5,588,538</b>	<b>314,051</b>	<b>5.62%</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>(382,107)</b>	<b>(582,111)</b>	<b>(428,098)</b>	<b>73.54%</b>

LANE TRANSIT DISTRICT  
 COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
 CAPITAL PROJECTS FUND  
 FOR THE NINE MONTHS ENDING MARCH 31, 1985 (75.00% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
<b>RESOURCES</b>				
Besinnins Fund Balance	2,189,724	95.95%	2,282,207	(92,483)
<b>Revenues:</b>				
UMTA Section 5	2,197,388	79.17%	2,775,504	(578,116)
UMTA Section 9	167,989	9.53%	1,763,147	(1,595,158)
UMTA Section 18	0	0.00%	88,440	(88,440)
Federal Highway Admin	5,667	2.81%	201,520	(195,853)
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	2,604,216	48.89%	5,326,211	(2,721,995)
<b>TOTAL RESOURCES</b>	<b>4,793,940</b>	<b>63.01%</b>	<b>7,608,418</b>	<b>(2,814,478)</b>
<b>EXPENDITURES</b>				
<b>Locally Funded:</b>				
Land & Buildings	4,750	N/A	0	(4,750)
Total Locally Funded	4,750	N/A	0	(4,750)
<b>UMTA Funded:</b>				
Computer Software	14,728	258.39%	5,700	(9,028)
Office Equipment	62,757	39.95%	157,081	94,324
Maintenance Equipment	6,895	5.32%	129,500	122,605
Bus Stop Improvements	29,453	10.95%	269,001	239,548
Land & Buildings	31,182	31.72%	98,300	67,118
Buses	2,746,973	56.53%	4,859,479	2,112,506
Bus Related Equipment	7,841	8.01%	97,900	90,059
Service Vehicles	9,284	43.79%	21,203	11,919
Miscellaneous	47,608	32.68%	145,700	98,092
Total UMTA Funded	2,956,721	51.12%	5,783,864	2,827,143
<b>FHWA Funded:</b>				
Bus Stop Improvements	6,440	2.81%	229,000	222,560
Total FHWA Funded	6,440	2.81%	229,000	222,560
Continsency	0	0.00%	8,480	8,480
<b>TOTAL EXPENDITURES</b>	<b>2,967,911</b>	<b>49.29%</b>	<b>6,021,344</b>	<b>3,053,433</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>1,826,029</b>	<b>115.06%</b>	<b>1,587,074</b>	<b>238,955</b>

COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES  
RISK MANAGEMENT FUND  
FOR THE NINE MONTHS ENDING MARCH 31, 1985 (75.00% OF YEAR COMPLETED)

	YEAR-TO-DATE	% ACTIVITY	YEARLY BUDGET	BALANCE
<b>RESOURCES</b>				
Beginning Fund Balance	398,394	1.05	380,649	17,745
<b>Revenues:</b>				
Transfer from Gen'l Fund	0	N/A	0	0
Interest	26,790	1.79	15,000	11,790
Total Revenues	26,790	1.79	15,000	11,790
<b>TOTAL RESOURCES</b>	<b>425,184</b>	<b>1.07</b>	<b>395,649</b>	<b>29,535</b>
<b>EXPENDITURES</b>				
Administration	12,300	0.75	16,500	4,200
Worker's Compensation	36,566	0.26	143,000	106,434
Liability Program	102,104	0.51	199,400	97,296
Miscellaneous Insurance	1,267	0.29	4,400	3,133
<b>TOTAL EXPENDITURES</b>	<b>152,237</b>	<b>0.42</b>	<b>363,300</b>	<b>211,063</b>
<b>ENDING FUND BALANCE</b>	<b>272,947</b>	<b>8.44</b>	<b>32,349</b>	<b>240,598</b>

RIDERSHIP SUMMARY: THIRD QUARTER--1984-85

JANUARY	FEBRUARY	MARCH
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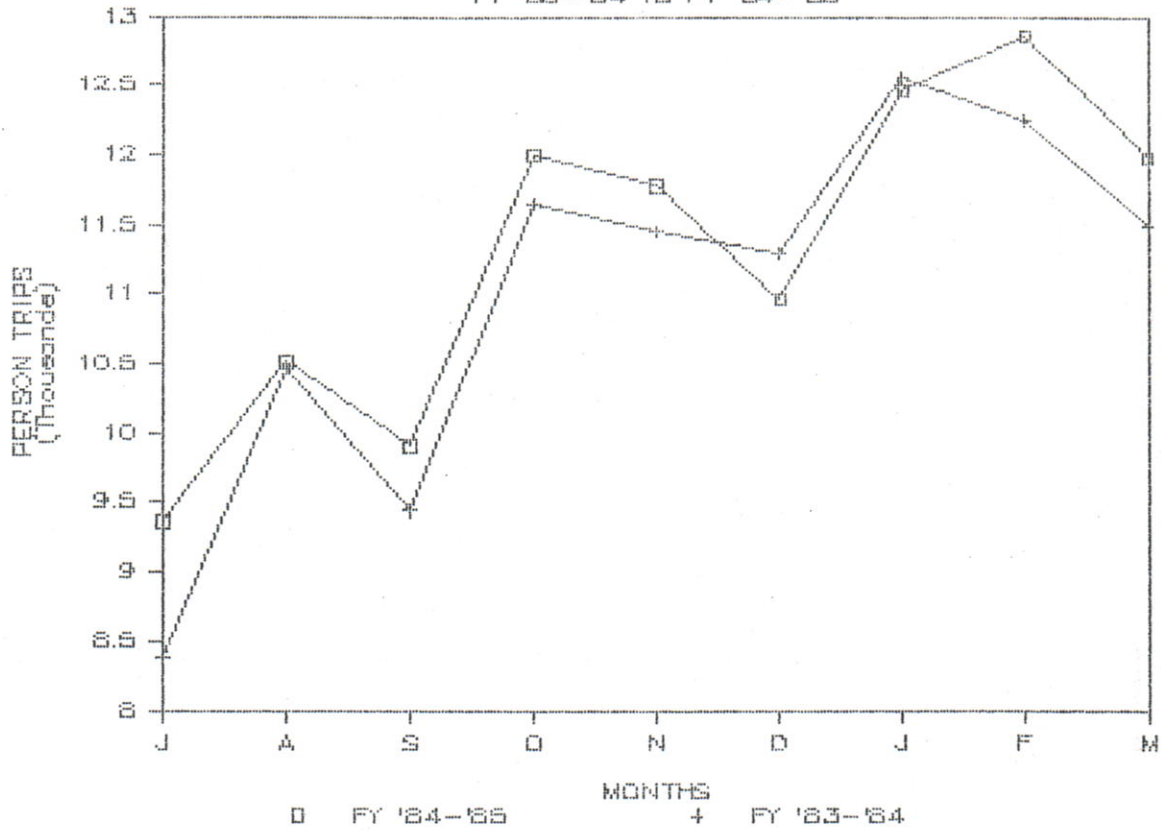
STATISTIC	'84 - '85	'83 - '84	% CNG.	'84 - '85	'83 - '84	% CNG.	'84 - '85	'83-'84	% CNG.
FAREBOX REVENUE	123,823	125,518	-1.4	116,516	117,246	-0.6	118,671	118,134	0.5
PERSON TRIPS	309,950	306,234	1.2	295,982	290,722	1.8	300,505	292,752	2.7
WEEKLY SCHEDULE HOURS	4,021	3,568	12.7	4,028	3,583	12.4	4,043	3,688	9.6
PRODUCTIVITY	17.7	19.7	-10.2	18.4	19.4	-5.2	17.4	18.0	-3.3

YEAR TO DATE

STATISTIC	TDP GOAL	'84 - '85	'83 - '84	% CNG.
FAREBOX REVENUE	1,231,079	960,799	976,975	-1.7
PERSON TRIPS	2,786,800	2,520,991	2,423,253	4.0
PRODUCTIVITY	18.7	17.0	17.6	-3.4
EFFICIENCY	\$1.45	\$1.34	\$1.38	-2.9
USER FUNDING	22.2%	18.5%	19.8%	-6.6

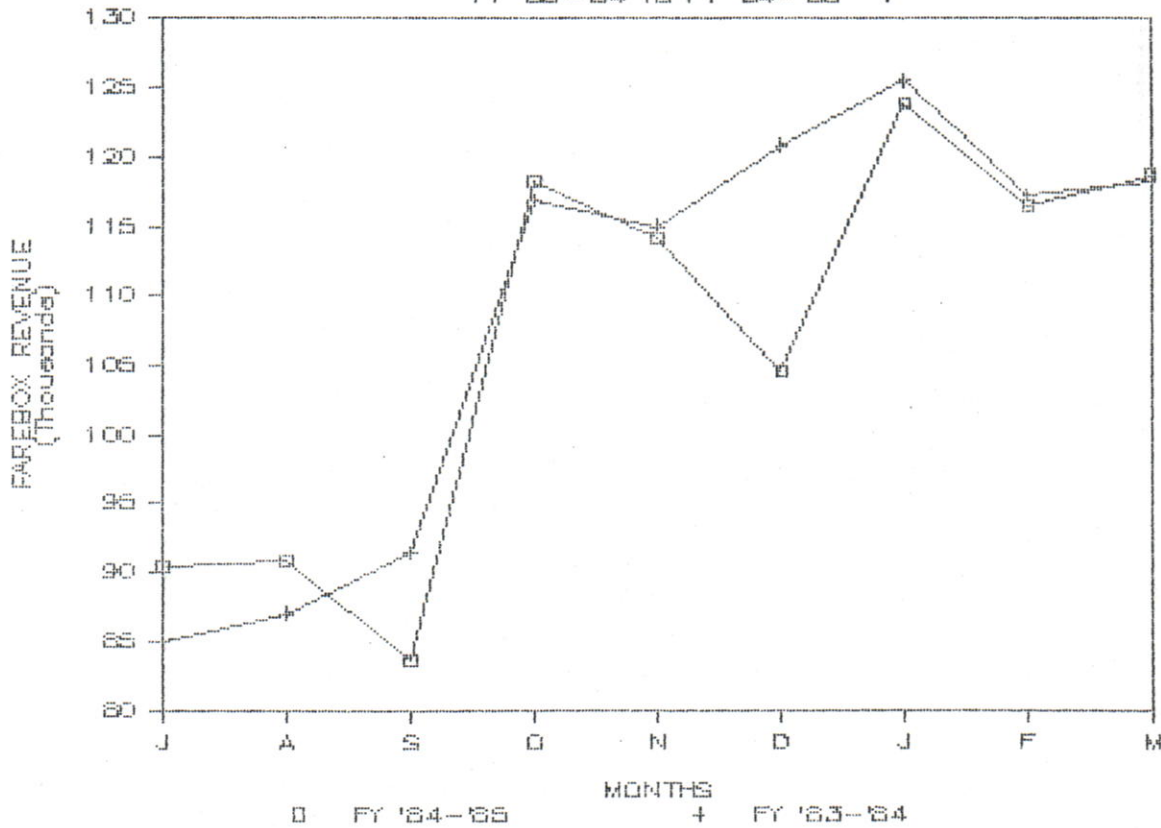
# AVERAGE WEEKDAY PERSON TRIPS

FY '83-'84 TO FY '84-'85



# FAREBOX REVENUE

FY '83-'84 TO FY '84-'85



OPERATIONS SUMMARY  
JANUARY/FEBRUARY/MARCH 1985

	January			February		
	84-85	83-84	% CHANGE	84-85	83-84	% CHANGE
On-Time Performance	99.38%	98.61%	+ .78%	100%	97.69%	+2.37%
Safe Miles Between Accidents/Incidents	79,099	85,591	-7.58%	33,768	28,046	+20.40%
Miles Between Breakdowns	5,333	6,645	New Standards	4,147	6,645	New Standards
Total Miles	237,297	256,774	-7.59%	236,376	224,366	+5.35
Complaints	11	20	--	13	14	--
Compliments	11	12	--	6	7	--

	March			FISCAL YEAR-TO-DATE TOTALS/AVERAGES			
	84-85	83-84	% CHANGE	GOAL	84-85	83-84	% CHANGE
On-Time Performance	97.74%	99.54%	-1.81%	98.00%	99.04%	98.61%	+ .44%
Safe Miles Between Accidents/Incidents	23,999	45,184	-46.89%	38,000	32,483	36,517	-11.05%
Miles Between Breakdowns	3,490	10,270	New Standards	15,000	4,462	8,307	New Standards
Total Miles	239,992	225,919	+6.23%	n/a	2,143,850	2,045,005	+4.83%
Complaints	18	25	--	-5%	169	149	--
Compliments	9	10	--	--	85	64	--