

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING/WORK SESSION/EXECUTIVE SESSION

Wednesday, November 16, 2011

Pursuant to notice given to *The Register-Guard* for publication on November 10, 2011, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, November 16, 2011, beginning at 5:30 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

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

Absent: Greg Evans, Vice President

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

PRELIMINARY REMARKS BY BOARD PRESIDENT: There were no remarks.

COMMENTS FROM THE GENERAL MANAGER: General Manager Ron Kilcoyne requested a moment of silence to remember Shawn Bird, an LTD employee who had recently passed away.

Mr. Kilcoyne announced that approval of minutes from past meetings would be current following approval of the November 16 consent calendar.

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

BOARD CALENDARS: Mr. Kilcoyne reviewed activities on the Board calendars. He noted that the December 21 regular Board meeting would not be held, but a special meeting/work session will be held on Monday, December 12.

WORK SESSION

LTD Accessible Services Program Review: Accessible Services Manager Terry Parker provided a program overview by highlighting activities associated with LTD fixed-route and the RideSource Call Center. She introduced Accessible Services Coordinator Susan Hekimoglu and Human Services Transportation Specialist Rand Stamm; acknowledging and thanking them for their work. She reported that nearly 13,500 people are currently enrolled in LTD's EZ Access reduced and free fare programs

Ms. Parker said that the Not-for-Profit Agency Half-Fare program was instituted many years ago to serve people with low incomes who did not receive assistance getting transportation through a public agency. There are 49 non-profit agencies that currently buy fare media at half price and distribute to low-income clientele. LTD provides other services for older adults and people with disabilities through Alternative Work Concepts (AWC). Under contract with LTD this non-profit agency provides one-on-one training and ongoing support with Travel Training and Transit Hosts and by conducting in-home transportation assessments. Liz Fox and Scott Whetham of AWC were introduced and thanked for their efforts on behalf of people with disabilities.

Ms. Parker described the activities managed within the RideSource Call Center and commended Special Mobility Services' employees Kris Lyons and Glen Adams (who were present) for their work. She provided statistics related to the Call Center operations and pointed out that the call volume had increased from an initial level of 13,000 to 14,000 average calls per month in 2008 to 19,000 today. Annual one-way trips increased from approximately 100,000 in 2000 to a projected 190,000 trips to be provided in the current year.

Mr. Gillespie asked about the Call Center's hours of operation. Ms. Parker replied that the Call Center operates seven days a week. Ms. Lyons indicated that 700-800 calls were received on a typical week day.

Mr. Eyster asked if there were specific factors that contributed to the rise in demand for Call Center services and the amount of savings that may have been realized by establishing the Call Center to manage certain types of transportation services. Ms. Parker said that the Call Center would need to be in operation for a longer period of time in order to gather sufficient data to analyze potential cost savings over time. She said that demographics, such as an aging population, and extensive outreach to potential riders were factors affecting increased ridership. She did not feel that cuts to the fixed-route service accounted for increased demand as the fixed-route system still provides good overall coverage in the metro service area. She noted that the average cost per ADA trip (those trips paid for by LTD) had not increased significantly despite increases in the price of fuel, in part because some costs could be spread among a larger volume of overall trips. She said that the State, due to projected budget cuts, threatens to dismantle regional transportation brokerages like the RideSource Call Center, which would be unfortunate as brokerages were a better service model for consumers.

Ms. Parker noted that the Not-for-Profit Agency Program had been in existence for many years. The overall annual cap of \$80,000 was exceeded due to greater need and agency participation than anticipated. She asked the Board for guidance on whether to acknowledge the current level of participation or scale back. She also said that under the current policy, agencies were not allowed to buy passes and resell them but there had been a request from a large agency to sell rather than give away LTD passes.

Director of Service Planning, Accessibility, and Marketing Andy Vobora explained that about 10 percent of the agencies provided service to a majority of program participants; other agencies had small programs that made passes available to clients when needed. That was the reason for moving from an agency cap of \$300 per month per agency to an overall annual program cap. He said that LTD staff recommended that sales through agencies not be allowed. LTD provided the discount, and the passes should be given to agencies' clients, which is consistent with the program's original intent.

In response to a question from Mr. Gillespie, Mr. Vobora said that agencies would sell the passes at the same half-fare price that they purchased them for from LTD.

Ms. Towery asked if agencies paid for passes from revenue they received that was earmarked for clients' transportation needs, or if they engage in fundraising in order to provide that service. She made the distinction and voiced concern over whether agencies wanted to sell passes to increase revenue or to generate funds to meet more transportation needs. Mr. Vobora said that agencies obtained funds for passes from a variety of sources, including fundraising. It would be very difficult to control if agencies resold passes. Ms. Parker added that another goal of recent changes was to streamline program administration to keep costs as low as possible.

Mr. Dubick said that he preferred to keep the program's focus on the rider and enabling people to use transportation. He understood the financial difficulties nonprofits were facing, but LTD should not be expanding agencies' capacities beyond what their budgets allowed by authorizing the resale of passes.

Mr. Gillespie commented that LTD was doing its part by providing the discounted passes, and once the passes belonged to an agency it was the agency's responsibility to use them consistent with its own guidelines and regulations. He did not object if an agency increased the number of riders by earning funds to buy additional passes.

Mr. Vobora said that if agencies were allowed to resell passes, the issue of the annual cap would need to be addressed. Anyone in the community who became aware of the practice could go to a nonprofit agency and purchase a pass for half fare.

Mr. Necker agreed with Mr. Dubick's position. He asked if there was a difference between agencies that sold passes and ones that asked clients to pay for passes once they were working. Mr. Vobora responded that under that latter model, the agencies were consistent with the program's intent by meeting clients' immediate transportation needs; once the clients were working they paid back into the system. He said that staff had suggested that those clients be charged the appropriate fares as individuals rather than using the half-price cost.

Ms. Towery agreed with Mr. Vobora that clients should be provided with the passes as they were trying to achieve financial stability; however, once they were earning income, they should pay the appropriate fares.

Mr. Eyster determined that several Board members preferred that agencies not be allowed to resell program passes.

Ms. Parker said that staff would develop a proposal for the Board to consider at a future meeting.

She asked the Board for input on a request to change the RideSource Out-of-Area fee-for-service. She said that a pilot project allowed those who lived just outside the RideSource boundary to receive services for an additional fee. She said that participation had been limited but noted that the project had not been heavily promoted. She said that the additional \$4 fee was based on a five-minute ride outside of the boundary; the standard RideSource fare was \$3 per trip, making the cost of an out-of-area trip \$7 one-way. She said that the Board would need to consider whether the project should become part of the regular program in May 2012 or should

continue as a pilot project. She added that the Board also would need to consider the fare structure.

Mr. Dubick asked about project participation. Ms. Parker said usage was more sporadic than daily, and participation was limited to five or six people during the past 18 months, generating 466 one-way rides.

AUDIENCE PARTICIPATION: Mr. Eyster explained the guidelines for providing public comment.

Fred Simmons, 312 S. 52nd Place, Springfield, former LTD employee, spoke to the Board regarding retiree health care plans. He said retirees' choices included a Providence plan, a Regence plan without Medicare Part D, and the classic Regence plan. He asked that retirees also be given the choice of an additional enhanced plan to allow them greater flexibility as individual participants in managing health care more effectively. He said that the expiration of the choice period was December 7.

Mr. Kortge asked if adding the enhanced plan to retirees' choices was the Board's decision. Mr. Simmons said it was an agency decision, and the question was whether the Board would allow the Human Resources department to expand the array of plan options.

Director of Human Resources and Risk Management Mary Adams explained that the collective bargaining agreement created a Joint Insurance Committee that had the authority to make decisions about the benefit plans. If there was a dispute, the appeals process was outside the agency and typically the Board did not get involved in decisions about the plans.

Mr. Kortge asked what aspect of benefits was collectively bargained. Ms. Adams said that the agreement specified that the District would provide Medicare supplement plans for retirees, but was not specific about the type of plan or benefit level. The District also provided a monthly stipend of \$125 to retirees towards the cost of the plans. She said that the District had to administer the program according to which retiree was enrolled in which plan and tried to provide a reasonable range of choices, not a large array of plans.

EMPLOYEES OF THE MONTH: The Board recognized Transit Operations Supervisor Jim Coffman and Bus Operator Melinda Raven for their efforts during an incident in which a child had a medical emergency.

Mr. Eyster thanked Mr. Coffman and Ms. Raven for their service and dedication to LTD's mission and presented certificates of appreciation and checks commemorating the awards. Recipients expressed their appreciation for the acknowledgement of their service and thanked the Board for their awards.

AUDIENCE PARTICIPATION CONTINUED...

Bob Macherione, 1994 Brewer, Eugene, Eugene business owner and member of Our Money, Our Transit, thanked Mr. Kilcoyne for being open and responsive to requests from the public. He appreciated the approval of Board minutes so that they would be available to the public on the LTD website. He said that he did not feel that questions regarding the true operating costs of EmX had been answered. He felt that they could be calculated by dividing the total budget by miles traveled. He said that a November report gave a cost of \$1 million to operate the Gateway

EmX line; however, the Long-Range Financial Plan included a far lower figure. He said that LTD should examine its culture and conclude that its primary goal is to provide service, and every dollar of revenue should be used for that purpose. He questioned the annual costs for advertising and suggested that those funds should be used to serve riders. He said that eliminating bus drivers would reduce service. He stated that the number of salaried employees had been reduced over the last several years, but salaries had increased.

Kim Davis, 4450 Blanton Heights Road, Eugene, RideSource program user, thanked the Board for expanding the program to allow out-of-area service. She said that decision had been instrumental in her son Jake's success in the community and his ability to obtain a job. She added that the RideSource service means everything to her family. She commended RideSource employees for their dedication and service. She asked the Board to reconsider the \$7 one-way fare, which amounted to \$280 per month for her son's transportation and placed a financial burden on their family.

Steve Davis, 4450 Blanton Heights Road, Eugene, RideSource program user, also thanked the Board for expanding the RideSource program, which had allowed his son to be independent. He hoped that the Board would consider lowering the out-of-area fee to make the service more affordable.

ITEMS FOR ACTION AT THIS MEETING

OTION **Consent Calendar:** Mr. Dubick moved adoption of LTD Resolution No. 2011-026: It is hereby resolved that the Consent Calendar for November 16, 2011, is approved as presented. Mr. Necker provided the second. The Consent Calendar consisted of the minutes of the January 13, 2011, Executive Search Committee Meeting; January 26, 2011, Executive Search Committee Meeting; April 11, 2011, Special Board Meeting; April 11, 2011, Executive Search Committee Meeting; June 13, 2011, Special Board Meeting/Work Session; June 15, 2011, Regular Board Meeting; August 8, 2011, Special Board Meeting/Luncheon; September 12, 2011, Special Board Meeting/Work Session; September 21, 2011, Regular Board Meeting; October 19, 2011, Regular Board Meeting; and LTD Board Budget Committee Nomination: Kay Metzger.

VOTE The Consent Calendar was approved as follows:
AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

Approval: RideSource Out-of-Area Service: Ms. Parker thanked the Davis family for speaking about the program during public testimony. She reminded the Board that staff had recommended against out-of-area service when the project was first proposed because of the difficulty of managing exceptions to service boundaries. She said that the pilot project scope was limited, and costs were based on a rational application to services. She felt that the project was helpful, and ridership could increase in the future. She said charging no fare for out-of-area service would essentially expand the RideSource boundary and suggested that the Board, if it addressed the out-of-area fee, consider retaining some fare for the service to avoid changing the geographic boundary.

Mr. Dubick asked about offering a monthly pass for the out-of-area service to lower the cost to daily users. Ms. Parker asked if the monthly pass would be limited to out-of-area service users or all RideSource participants. She said that a RideSource one-way trip cost the District about \$26, and traditionally incentives had not been used to encourage greater usage of the service.

Mr. Dubick said that his suggestion would apply only to out-of-area service users because the fee could be perceived as excessive, even though it cost the District much more to operate RideSource than it was allowed to recover through fares.

Ms. Towery said that the question was one of productivity versus quality of life. She said that the District provided a service that enhanced the quality of life for people in the community, as illustrated by the Davis family. She said that given the small scope of the project, she would prefer to see it continue as a pilot with a lower fare.

Mr. Kortge asked how the additional cost of \$4 for an out-of-area one-way trip was determined. Ms. Parker said it was determined to cover the cost of five minutes of travel outside of the RideSource area based on an hourly cost of \$52.

In response to a question from Mr. Necker, Mr. Davis said that a \$2 one-way fare for out-of-area service would be fair.

Mr. Gillespie observed that the highest fare was being charged to those with the least ability to pay. He liked Mr. Dubick's suggestion of a reduced rate. He encouraged more publicity for the program to increase ridership and better determine the demand for, and financial feasibility of, the service. He wanted to see a reduced fare and continuation of the service as a pilot project.

Ms. Towery was concerned with widely promoting the program as that could lead to an expansion of boundaries. She said that the District already incurred a significant loss to provide RideSource services.

Mr. Kortge supported reducing the fare and continuing the pilot project.

Mr. Kilcoyne said that RideSource was a very expensive program, and while the District provided information about the program, it was not heavily promoted. He said that the incremental cost for service outside the RideSource boundary was not subsidized, which was why it was high. Cutting the fare in half would result in subsidizing it by 50 percent.

MOTION Ms. Towery moved to extend the RideSource Out-of-Area Pilot Project for another six months and reduce the fee-for-service by half. Mr. Gillespie provided the second.

Mr. Necker offered a friendly amendment to prevent marketing of the project. Ms. Towery and Mr. Gillespie accepted the amendment.

VOTE The motion to extend the RideSource Out-of-Area Pilot Project for another six months and reduce the fee-for-service by half with no marketing of the project was approved as follows:

AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)

NAYS: None

ABSTENTIONS: None

EXCUSED: Evans (1)

Mr. Vobora announced that Ms. Parker had been recognized by the Oregon Transit Association as Transit Employee of the Year.

ITEMS FOR INFORMATION AT THIS MEETING

Board Member Reports:

Metropolitan Planning Organization Citizen Advisory Committee (MPOCAC): Mr. Gillespie reported that the MPOCAC would meet on November 17. The Committee had completed its review of the Regional Transportation Plan update with members expressing concern with missing data. There was some discussion about asking for an extension of the deadline for approving the plan until the data was provided. He said that his term on the Committee expires in December, and he had been temporarily renewed, but he needed to reapply. He said that some questions had been raised at the Metropolitan Policy Committee (MPC) meeting about his membership on both the Committee and the LTD Board.

Lane Area Commission on Transportation (LaneACT): Mr. Dubick said that the LaneACT discussed ConnectOregon legislation at its October meeting and the fact that less funding was available each year. He added that changes to access management under the Oregon Highway Plan also were discussed.

Mr. Eyster commented that the MPC had discussed MPOCAC membership and would appoint new members at its January 2012 meeting. He said adoption of the Regional Transportation Plan was extended until December 2011.

Safety and Security Subcommittee Formation: Mr. Kilcoyne said that there had been a suggestion at a National Transit Safety Board (NTSB) meeting that transit boards establish Safety and Security Committees around the concern that if there were problems with safety, the Board would ultimately be responsible. Mr. Kilcoyne had observed that LTD took safety very seriously and recommended that an internal task force be created to closely examine whether there are areas for improvement anywhere within the organization. He said that he had a discussion with Mr. Evans, who had conveyed the NTSB suggestion, and Mr. Evans concurred with the recommendation.

Ms. Towery emphasized that LTD had a strong culture of safety, and that the Board regularly reviewed safety reports from the organization. She was concerned with creating another committee when staff resources were already stretched due to cutbacks. She did support continuous learning and improvement processes but did not feel another committee was necessary.

Mr. Gillespie asked if forming a Board safety committee would offer greater protection against liability or insurance benefits. Mr. Kilcoyne said that a Board committee was not necessary for insurance or liability purposes.

Mr. Gillespie agreed with Ms. Towery that the current safety status was sufficient.

LTD Host Sustainability Conference: Mr. Kilcoyne stated that LTD had proposed hosting the American Public Transportation Association (APTA) Sustainability Conference in 2013 at the

earliest. He had not yet received a response from APTA. He said that staff had indicated that hosting the conference would not compromise LTD's core activities.

Mr. Eyster said hosting the sustainability conference would allow LTD to showcase its commitment to sustainability.

Denver Public-Private Partnership Project: Director of Finance and Information Technology Diane Hellekson said that the Denver project began three years ago and was structured in a specific way that pre-qualified teams and bundled project components such as design, engineering, construction, operations, and promotion. She said that the cost of the project was \$2 billion, and it would not be completed until 2016. She said the question was whether the concept would work for LTD, and she explained that the concept worked best when the project was very large and there was an income stream generated. She said examples of such projects were college dormitories, wastewater treatment plants, and large rail projects. She said that while this model would probably not work for LTD, other opportunities for alternative financing for capital projects and operations would continue to be explored. The Eugene and Springfield stations had been built with the intent to include retail activities, and it had been a struggle to retain viable businesses in those spaces.

Televising Board Meetings: Mr. Eyster commented that it would be to the Board's advantage to increase public access to meetings if it was financially feasible to do so by televising the meetings.

Mr. Vobora said that there was no statutory requirement to broadcast or televise meetings. He reviewed the practices of other transit districts and public agencies, which ranged from no broadcasting to use of public radio or community access television.

Information Technology Manager Steve Parrott outlined the options and costs for delivering Board meeting information as described in the agenda materials.

Ms. Towery observed that the Lane Council of Governments and other agencies may be unable to continue to provide taped or televised meetings in the future if significant budget cuts occurred. Those services may no longer be affordable.

Mr. Dubick asked if audio streaming would be less expensive. Mr. Parrott said that it would depend on how the audio stream was delivered. He said that it would not be as expensive as video, but there would be costs for infrastructure, software, and staff time.

Mr. Gillespie asked if either Lane Community College or the University of Oregon had video programs that could provide interns. Mr. Vobora said that there still would be costs associated with the hardware, software, and delivery of video.

Mr. Kortge asked what the purpose of televising meetings would be.

Mr. Eyster said that the Board did an excellent job of serving the District, and he would like to see the public have greater access to meetings in order to better understand and appreciate that.

Mr. Kortge said that meetings were open and accessible and he saw no need to televise them, particularly since many other transit bodies did not broadcast their meetings.

Ms. Towery agreed with Mr. Eyster that it would be good to elevate the visibility of the Board's functions, but she could not see a justification for the additional costs. She said that televising meetings was likely to decrease in the future because it was cost prohibitive, and public entities would need to look at what services were essential to provide as budgets became more constrained.

Mr. Gillespie said that he liked the concept of additional avenues of accessibility, but was not certain that the costs were justified. He felt that accessibility could be increased by holding meetings at different times and locations so that more people could attend and comment to the Board.

Ms. Towery pointed out that televising meetings would not allow additional opportunities for public comment.

Mr. Necker agreed that the cost of televising meetings was prohibitive, and every dollar spent was a dollar less available to provide service.

Mr. Dubick said that he was not certain that the cost of televising was worth the benefit.

BRT Map for Regional Transportation Plan: Director of Planning and Development Tom Schwetz said that the MPC would adopt the Regional Transportation Plan, which was updated every four years, at its December 8, 2011, meeting. He distributed the *2035 Regional Transportation Plan Bus Rapid Transit System Map*, to which some items had been added during the update process. Both Eugene and Springfield are currently updating their transportation system plans, and the role of transit was a part of those discussions. That was likely to produce additional refinements to the map as the concept was refined relative to the land use and development strategies of the two cities. He highlighted some of the map modifications, including a request from the City of Springfield to include a line down Bob Straub Parkway that would connect with the Jasper-Natron development area, and the City of Eugene's exploration of options for Willamette Street from 18th to 29th avenues.

Mr. Eyster asked if the plan discussions included the subject of continuation of EmX as part of a regional transportation strategy. Mr. Schwetz said that both Eugene and Springfield regarded bus rapid transit as something that could drive their land use patterns and facilitate development.

Monthly Financial Report: Ms. Hellekson reviewed the financial report and said that passenger fare receipts continued to be lower due to loss of the student pass program, but there had been an increase in group pass revenue because some schools had opted to purchase passes for students. She said that there also had been an increase in the sales of single and three-month youth passes. More significant was the increase in payroll tax receipts, which would be followed by a tax rate increase in January 2012. She expected to achieve budget expectations for the District's most important resource. She said that fuel costs had continued to rise in small increments, but those expenses were below what was budgeted.

MOTION **EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d):** Mr. Gillespie moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Dubick provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Eyster, Gillespie, Kortge, Necker, Towery (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: Evans (1)

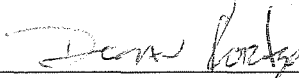
The Board entered Executive Session at 7:52 p.m.

RETURN TO REGULAR (OPEN) SESSION: The Board returned to regular session at 8:26 p.m.

ADJOURNMENT: Mr. Eyster adjourned the meeting at 8:26 p.m.

LANE TRANSIT DISTRICT

ATTEST



Dean Kortge
Board Secretary



Jeanne Schapper
Administrative Services Manager/
Clerk of the Board

Date Approved: December 12, 2011

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